

ASSET PURCHASE AGREEMENT

DATED FEBRUARY 1, 2008

AMONG

SECOND GENERATION OF IOWA, LTD

AND

SINCLAIR ACQUISITION IV, INC.

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "Agreement") is dated as of February 1, 2008, by and among Second Generation of Iowa, Ltd an Ohio limited liability company ("Seller"), and Sinclair Acquisition IV, Inc, a Maryland corporation ("Buyer").

RECITALS:

- A. The Seller owns those licenses, permits, and authorizations issued by the FCC and certain related assets relating to television broadcast station KFXA-TV in Cedar Rapids, Iowa (the "Station").
- B. The Seller owns all of the assets of the Station.
- C. Seller desire to sell, and Buyer desires to purchase, substantially all of the assets of the Station other than the Excluded Assets on the terms and conditions hereinafter set forth.

AGREEMENTS:

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained in this Agreement, the parties to this Agreement, intending to be bound legally, agree as follows:

SECTION 1: DEFINITIONS

1.1 Terms Defined in this Section. The following terms, as used in this Agreement, have the meanings set forth in this Section:

"**Accounts Receivable**" means the rights of Seller as of the First Closing Date to payment for the sale of advertising time and other goods and services by the Station prior to the Closing Date.

"**Action**" means, for any Person, any action, counterclaim, suit, litigation, arbitration, governmental investigation or other legal, administrative or Tax proceeding, or Judgment, complaint or claim by or against such Person, excluding any litigation affecting the television broadcasting industry generally in which such Person is not a named party, and any rule-making proceedings.

"**Affiliate**" means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of directors of such Person, or (B) owns a majority of the beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

“**Assets**” means the assets to be transferred or otherwise conveyed by Seller to Buyer under this Agreement as specified in Section 2.1.

“**Assumed Contracts**” means (i) all Contracts designated as Assumed Contracts on Schedule 3.7; (ii) Contracts entered into prior to the date of this Agreement with advertisers for the sale of advertising time or production services for cash at rates consistent with past practices; (iii) Contracts entered into prior to the date of this Agreement that are not required to be included on Schedule 3.7 hereto; (iv) any Contracts entered into by Seller between the date of this Agreement and the First Closing Date that Buyer agrees in writing to assume and (v) any Programming Contracts entered into by Seller between the date of this Agreement and the License Closing Date that Buyer agrees in writing to assume.

“**Authorizations**” means all licenses, permits and other authorizations issued by the FCC, or any other federal, state or local governmental authorities to Seller currently in effect and used in connection with the conduct of the business or operations of the Station, together with any additions thereto between the date of this Agreement and the License Closing Date.

“**Business Day**” means any day of the year on which banks are not required or authorized to be closed in the State of New York.

“**Closing Date**” means either the First Closing Date or the License Closing Date, as applicable.

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

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

“**Consents**” means the consents, permits, or approvals of Government Authorities and other third parties necessary to transfer the Assets to Buyer or otherwise to consummate the transactions contemplated by this Agreement.

“**Contracts**” means all contracts, consulting agreements, leases, non-governmental licenses, and other agreements (including leases for personal or real property and employment agreements), written or oral (including any amendments and other modifications thereto) to which either Seller is a party or that are binding upon either Seller that relate to or affect the Assets or the business or operations of the Station and (i) that are in effect on the date of this Agreement or (ii) that are entered into by either Seller between the date of this Agreement and the License Closing Date.

“**Effective Time**” means 12:01 a.m., Eastern Standard Time, on the First Closing Date.

“**Enforceability Exceptions**” means the exceptions or limitations to the enforceability of contracts under bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights generally, and by judicial discretion in the enforcement of equitable remedies.

“**Environmental Laws**” means the Legal Requirements concerning the environment, public health and safety, and employee health and safety, including the Handling of Hazardous

Materials, the presence of Hazardous Materials on any real property, or any antipollution requirements.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"FCC" means the Federal Communications Commission.

"FCC Consent" means action by the FCC granting its consent to the assignment of the Licenses by Seller to Buyer or its designee pursuant to the terms of this Agreement.

"FCC Effective Time" means 12:01 a.m., Eastern Standard Time, on the License Closing Date.

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

"First Closing" means the consummation of the purchase and sale of the Assets (other than the License Assets) pursuant to this Agreement in accordance with the provisions of Section 7.1(a).

"First Closing Date" means the date on which the First Closing occurs, as determined pursuant to Section 7.1(a).

"Governmental Authority" means any court or any federal, state, county, local or foreign governmental, legislative or regulatory body, agency, department, authority, instrumentality or other subdivision thereof, including the FCC.

"Handling" means the production, use, generation, storage, treatment, recycling, disposal, discharge, release or other handling or disposition of any kind of any Hazardous Materials.

"Hazardous Material" means any pollutant, contaminant, hazardous or toxic substance, material, constituent or waste or any pollutant that is labeled or regulated as such by any Governmental Authority pursuant to any Legal Requirements concerning the environment, public health and safety, and employee health and safety.

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

"Judgment" means any judgment, writ, order, injunction, determination, award or decree of or by any court, judge, justice or magistrate, including any bankruptcy court or judge, and any order of or by a Governmental Authority.

"Knowledge" or any derivative thereof means the actual knowledge of a fact, or constructive knowledge of a fact if a reasonably prudent person in a like position would or should have known such fact, by (i) in the instance of Seller, its Managing Member, or the general manager or chief engineer of the Station, or (ii) in the instance of Buyer, its President, Chief Financial Officer or General Counsel.

"Legal Requirement" means any statute, ordinance, code, law, rule, regulation, permit or permit condition, Judgment, or other requirement, standard or procedure enacted, adopted or applied by any Governmental Authority.

"Licenses" means those licenses, permits, and authorizations issued by the FCC in connection with the business and operations of the Station, together with any additions thereto between the date of this Agreement and the License Closing Date.

"License Closing" means the consummation of the exchange and acquisition of the License Assets pursuant to this Agreement in accordance with the provisions of Section 7.1(b).

"License Closing Date" means the date on which the License Closing occurs as determined pursuant to Section 7.1(b).

"Lien" means, with respect to any asset, (i) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge, or security interest in or on such asset, and (ii) any title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset.

"Material Adverse Effect" means a material adverse effect on the business, assets or condition (financial or otherwise) of the Station taken as a whole, except for any such material adverse effect resulting from (i) general economic conditions applicable to the television broadcast industry, or (ii) general conditions in the market in which the Station operates.

"Permitted Encumbrances" means (i) encumbrances of a landlord or other statutory lien not yet due and payable or a landlord's liens arising in the ordinary course of business; (ii) encumbrances arising in connection with equipment leases included in the Assumed Contracts; (iii) encumbrances for taxes not yet due and payable or which are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on Seller's books in accordance with generally accepted accounting principles; (iv) encumbrances that do not materially detract from the value of any of the Assets or materially interfere with the use thereof as currently used; or (v) encumbrances for borrowed money which will be removed prior to the First Closing Date.

"Person" means an individual, corporation, association, partnership, joint venture, trust, estate, limited liability company, limited liability partnership, or other entity or organization.

“Programming Contracts” means those Contracts, including network affiliation agreements, pursuant to which Seller has obtained the right to broadcast programming on the Station.

“Real Property Interests” means all interests in real property, including fee interests, leaseholds and subleaseholds, purchase options, easements, licenses, rights to access, and rights of way, and all buildings and other improvements thereto, owned or held by Seller that are used or held for use in the business or operations of the Station.

“Tangible Personal Property” means all machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, inventory, spare parts, and other tangible personal property owned or held by Seller that is used or held for use in the conduct of the business or operations of the Station.

“Transmitter Equipment” means the antennas, transmission lines, and transmission equipment described on Schedule 3.6.

“Tax” means any federal, state, local, or foreign income, gross receipts, windfall profits, severance, property, production, sales, use, license, excise, franchise, capital, transfer, employment, withholding, or other tax or governmental assessment, together with any interest, additions, or penalties with respect thereto, and any interest in respect of such additions or penalties.

“Tax Return” means any tax return, declaration of estimated tax, tax report, or other tax statement, or any other similar filing required to be submitted to any Governmental Authority with respect to any Tax.

1.2 Terms Defined Elsewhere in this Agreement. For purposes of this Agreement, the following terms have the meanings set forth in the sections indicated:

<u>Term</u>	<u>Section</u>
Affected Parties	Section 5.7(c)
Asset Price	Section 2.4(a)
Benefit Arrangement	Section 3.14(a)
Benefit Plan	Section 3.14(a)
Buyer	Preamble
Claimant	Section 9.4
Collection Period	Section 5.4(a)
Employee Closing	Section 5.7(a)
Employees	Section 3.14(a)
Estimated Asset Price	Section 2.4(a)
Excluded Assets	Section 2.2
FCC Application	Section 5.1(b)

<u>Term</u>	<u>Section</u>
Licensee Employees	Section 5.7(a)
Financial Statements	Section 3.10
Indemnifying Party	Section 9.4
Outsourcing Agreement	Section 5.8
Lease	Section 5.10
License Assets	Section 2.1(b)
License Price	Section 2.4(b)
Multiemployer Plan	Section 3.14(a)
Non-License Assets	Section 2.1(a)
Pension Plan	Section 3.14(a)
Purchase Price	Section 2.3
Represented Employees	Section 5.7(e)
Seller	Preamble
Seller's 401(k) Plan	Section 5.7(g)
Station	Recitals
Threshold Amount	Section 9.5
Transferred Employees	Section 5.7(a)
WARN Act	Section 5.7(f)
Welfare Plan	Section 3.14(a)

1.3 Rules of Construction. Words used in this Agreement, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender and any other number as the context requires. As used in this Agreement, the word "including" is not limiting, and the word "or" is not exclusive. Except as specifically otherwise provided in this Agreement in a particular instance, a reference to a Section or Schedule is a reference to a Section of this Agreement or a Schedule hereto, and the terms "hereof," "herein," and other like terms refer to this Agreement as a whole, including the Schedules to this Agreement, and not solely to any particular part of this Agreement. The descriptive headings in this Agreement are inserted for convenience of reference only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

SECTION 2: PURCHASE AND SALE OF ASSETS

2.1 Agreement to Purchase and Sell. The purchase and sale of the Assets hereunder shall occur as set forth below:

(a) First Closing. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to sell, transfer, convey, assign and deliver to Buyer on the First Closing Date, and Buyer agrees to acquire, all of Seller's right, title and interest in the tangible and intangible assets used or held for use in connection with the conduct of the business or operations of the Station (collectively, the "**Non-License Assets**"), but excluding the Transmitter Equipment and the Excluded Assets, free and clear of any Liens (except for Permitted Encumbrances), including, without limitation, the following:

- (1) the Tangible Personal Property (excluding the Transmitter Equipment);
- (2) the Real Property Interests;
- (3) the Assumed Contracts;
- (4) the Authorizations (excluding the Licenses);
- (5) the Intangibles, including any goodwill of the Station related to the Non-License Assets;
- (6) all of Seller's proprietary information, technical information and data, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams, blueprints, and schematics, but excluding filings with the FCC, in each case, to the extent relating to the business and operation of the Station;
- (7) all choses in action of Seller relating to the Station to the extent they relate to the period after the Effective Time; and
- (8) all books and records relating to the business or operations of the Station, but excluding all records required by the FCC to be kept by the Station.

(b) License Closing. Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to transfer, convey, assign, and deliver to Buyer on the License Closing Date, and Buyer agrees to acquire, all of Seller's right, title, and interest in the tangible and intangible assets used or held for use in connection with the conduct of the business or operations of the Station which were not transferred to Buyer at the First Closing, together with any additions thereto (as permitted hereby) between the date of this Agreement and the License Closing Date (collectively, the "**License Assets**"), but excluding the Excluded Assets, free and clear of any Liens (except for Permitted Encumbrances), including, without limitation, the following:

- (1) the Licenses;

- (2) Programming Agreements;
- (3) all filings with the FCC to the extent relating to the business and operation of the Station;
- (4) all records required by the FCC to be kept by the Station;
- (5) the Transmitter Equipment; and
- (6) the goodwill related to the License Assets, if any.

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

- (a) Seller’s cash, investments, cash equivalents and deposits, any interest payable in connection with any such items, all rights in and to either Seller’s bank accounts, and any marketable securities held by either Seller;
- (b) any insurance policies, promissory notes, amounts due from employees, bonds, letters of credit, certificates of deposit, or other similar items, and any cash surrender value in regard thereto;
- (c) any pension, profit-sharing, or employee benefit plans, including all of Seller’s interest in any Welfare Plan, Pension Plan, Benefit Plan or Benefit Arrangement;
- (d) all Tangible Personal Property disposed of or consumed in the ordinary course of business as permitted by this Agreement;
- (e) all tax returns and supporting materials, all original financial statements and supporting materials, all books and records that Seller is required by law to retain, all of Seller’s organizational documents, corporate books, and records (including minute books and stock ledgers) and originals of account books of original entry, all records of Seller relating to the sale of the Assets, and all records and documents related to any assets excluded pursuant to other subsections of this Section 2.2;
- (f) any interest in and to any refunds of federal, state or local franchise, income or other taxes paid by either Seller for periods prior to the First Closing Date;
- (g) all Accounts Receivable;
- (h) all rights and claims of Seller, whether mature, contingent or otherwise, against third parties relating to the operation of the Assets or the Station prior to the First Closing Date, whether in tort, contract, or otherwise;
- (i) any Contracts that are not Assumed Contracts;

(j) all of Seller's deposits and prepaid expenses; provided any deposits and prepaid expenses shall be included in the Assets to the extent that Seller receives a credit therefor in the proration of the Purchase Price pursuant to Section 2.3(a);

(k) all rights of Seller under or pursuant to this Agreement (or any other agreements contemplated hereby);

(l) all rights to the names "Second Generation," and any logo or variation thereof and goodwill associated therewith; and

(m) all shares of stock in the entity listed on Schedule 3.1.

2.3 Purchase Price. The purchase price of the Assets (the "**Purchase Price**") shall be Nineteen Million Dollars (\$19,000,000), adjusted as provided below:

(a) Prorations. The Purchase Price shall be increased or decreased as required to effectuate the proration of revenues and expenses. All revenues and all expenses arising from the operation of the Station, including tower rental, business and license fees, utility charges, real and personal property taxes and assessments levied against the Assets, property and equipment rentals, applicable copyright or other fees, sales and service charges, vacation and sick leave (except for taxes arising from the transfer of the Assets under this Agreement), shall be prorated between Buyer and Seller in accordance with the principle that Seller shall receive all revenues and shall be responsible for all expenses, costs, and liabilities allocable to the operations of the Station for the period prior to 12:01 a.m. on February 1, 2008, and Buyer shall receive all revenues and shall be responsible for all expenses, costs, and obligations allocable to the operations of the Station for the period after 12:01 a.m. on February 1, 2008, subject to the following:

(1) There shall be no adjustment for, and Seller shall remain solely liable with respect to, any Contracts not included in the Assumed Contracts and any other obligation or liability not being assumed by Buyer in accordance with Section 2.2. An adjustment and proration shall be made in favor of Buyer to the extent that Buyer assumes any liability under any Assumed Contract to refund (or to credit against payments otherwise due) any security deposit or similar prepayment paid to Seller by any lessee or other third party. An adjustment and proration shall be made in favor of Seller to the extent Buyer receives the right to receive a refund (or to a credit against payments otherwise due) under any Assumed Contract to any security deposit or similar prepayment paid by or on behalf of Seller.

(2) No adjustment and proration shall be made in favor of Seller for the amount, if any, by which the value of the goods or services to be received by the Station under its trade or barter agreements as of the Effective Time for the Station exceeds the value of any advertising time remaining to be run by the Station as of the Effective Time. An adjustment and proration shall, however be made in favor of Buyer to the extent that the amount of any advertising time remaining to be run by the Station under its trade or barter agreements as of the Effective Time either (a) relates to any vehicle or (b) with respect to trade or barter agreements not relating to a vehicle, exceeds by more than Twelve Thousand Dollars (\$12,000) the value of the goods or services to be received by the Station as of the Effective Time..

(3) An adjustment and proration shall be made in favor of Seller for the amount, if any, of prepaid expenses and other current assets that are paid by Seller to the extent such prepaid expenses and other current assets relate to the period after the Effective Time and inure to the benefit of Buyer.

(4) There shall be no proration for any expense or obligation relating to Employees (except for the pro ration for vacation and sick leave relating solely to the Transferred Employees, but not to the Licensee Employees for whom there shall be no such proration) or for film or programming license agreements, which shall be subject to the terms of the Outsourcing Agreement.

(b) Manner of Determining Adjustments. The Purchase Price, taking into account the adjustments and prorations pursuant to Section 2.3(a) will be determined in accordance with the following procedures:

(1) Seller shall prepare and deliver to Buyer no fewer than three (3) Business Days prior to the First Closing Date a preliminary settlement statement which shall set forth Seller's good faith estimate of the adjustments to the Purchase Price under Section 2.3(a). The preliminary settlement statement shall (i) contain all information reasonably necessary to determine the adjustments to the Purchase Price under Section 2.3(a), to the extent such adjustments can be determined or estimated as of the date of the preliminary settlement statement, and such other information as may be reasonably requested by Buyer, and (ii) be certified by Seller to be true and complete to Seller's Knowledge as of the date thereof. Buyer and Seller shall each act in good faith and reach agreement upon those adjustments under Section 2.3(a) to be made on a preliminary basis at the First Closing, with the preliminary amount of such adjustments to be finalized pursuant to subsections (2) and (3) below.

(2) Not later than ninety (90) days after the First Closing Date, Buyer will deliver to Seller a statement setting forth Buyer's determination of the Purchase Price that was due on such date and the calculation thereof pursuant to Section 2.3(a). Buyer's statement (i) shall contain all information reasonably necessary to determine the adjustments to the Purchase Price under Section 2.3(a), and such other information as may be reasonably requested by Seller, and (ii) shall be certified by Buyer to be true and complete to Buyer's Knowledge as of the date thereof. If Seller disputes the amount of the Purchase Price determined by Buyer, Seller shall deliver to Buyer within thirty (30) days after receipt of Buyer's statement a statement setting forth Seller's determination of the amount of the Purchase Price. If Seller notifies Buyer of its acceptance of Buyer's statement or if Seller fails to deliver their statement within the thirty (30) day period specified in the preceding sentence, Buyer's determination of the Purchase Price shall be conclusive and binding on the parties as of the last day of the thirty (30) day period.

(3) Buyer and Seller shall use good faith efforts to resolve any dispute involving the determination of the Purchase Price. If the parties are unable to resolve the dispute within forty five (45) days following the delivery of Buyer's statement pursuant to Section 2.3(b)(2), Buyer and Seller shall jointly designate an independent certified public accountant not regularly providing services to either Seller or Buyer within the last five (5) years who shall be knowledgeable and experienced in the operation of television broadcasting stations to resolve the dispute. If the parties are unable to agree on the designation of an independent

certified public accountant, the selection of the accountant to resolve the dispute shall be submitted to arbitration to be held in Baltimore County, Maryland, in accordance with the commercial arbitration rules of the American Arbitration Association then in effect. The accountant's resolution of the dispute shall be final and binding on the parties, and a judgment may be entered thereon in any court of competent jurisdiction. Any fees of this accountant and, if necessary, for arbitration to select such accountant, shall be divided equally between the parties.

2.4 Payment of Purchase Price. The Purchase Price shall be paid by Buyer to Seller as follows:

(a) Payment of Asset Price. The portion of the Purchase Price allocable to the Non-License Assets is Seventeen Million One Hundred Thousand Dollars (\$17,100,000), as adjusted pursuant to Section 2.3(a) hereof (the "Asset Price"). For purposes of the First Closing Buyer and Seller shall estimate the Asset Price using the preliminary adjustments agreed to pursuant to Section 2.3(b)(1) (the "Estimated Asset Price"). At the First Closing, Buyer shall pay or cause to be paid to Seller the Estimated Asset Price by wire transfer of same-day funds pursuant to wire transfer instructions furnished by Seller to Buyer; provided, at Buyer's option, Buyer shall have the right to transfer all or a portion of the Asset Price directly to any lender to Seller, on Seller's behalf, in order to cause such lender to remove and release any Lien with respect to any of the Assets. The difference between the Estimated Asset Price and the Asset Price, as finally determined pursuant to Section 2.3(b), shall be paid as follows:

(1) If the Asset Price, as finally determined pursuant to Section 2.3(b), exceeds the Estimated Asset Price, Buyer shall pay to Seller in immediately available funds within five (5) Business Days after the date on which the Asset Price is determined pursuant to Section 2.3(b), the difference between the Asset Price and the Estimated Asset Price.

(2) If the Asset Price, as finally determined pursuant to Section 2.3(b), is less than the Estimated Asset Price, Seller shall pay to Buyer in immediately available funds within five (5) Business Days after the date on which the Asset Price is determined pursuant to Section 2.3(b), the difference between the Estimated Asset Price and the Asset Price.

(b) Payment of License Price at License Closing. The portion of the Purchase Price allocable to the License Assets is One Million Nine Hundred Thousand Dollars (\$1,900,000) (the "License Price"). At the License Closing, Buyer shall pay or cause to be paid to Seller the License Price by wire transfer of same-day funds pursuant to wire transfer instructions, furnished by Seller to Buyer.

2.5 Assumption of Liabilities and Obligations. As of the First Closing Date, Buyer shall assume and undertake to pay, discharge, and perform all obligations and liabilities of Seller under the Authorizations (excluding the Licenses) and the Assumed Contracts, excluding any Programming Contracts, to the extent that either (a) the obligations and liabilities relate to the time after the Effective Time, or (b) the Purchase Price was reduced pursuant to Section 2.3(a) as a result of the proration of such obligations and liabilities. As of the License Closing Date, Buyer shall assume and undertake to pay, discharge, and perform all obligations and liabilities of Seller under the Licenses and the Programming Contracts to the extent that the obligations and

liabilities relate to the time after the FCC Effective Time. Buyer shall not assume any other obligations or liabilities of Seller or the Station, including (i) any obligations or liabilities under any Contract not included in the Assumed Contracts, (ii) any obligations or liabilities under the Assumed Contracts relating to the period prior to the Effective Time or the FCC Effective Time, as applicable, except insofar as an adjustment therefore is made in favor of Buyer under Section 2.3(a), (iii) any obligations to any Employees except in accordance with the terms of Section 5.7 and the Outsourcing Agreement, (iv) any Actions relating to the operation of the Station prior to the Effective Time or the FCC Effective time (as appropriate), (v) any obligations or liabilities of Seller under any pension, welfare, retirement or other benefit plans, or (vi) any taxes in connection with the operation of the Station prior to the Effective Time or the FCC Effective time (as appropriate). Notwithstanding anything herein to the contrary (including the provisions in this Section 2.5), Licensee shall remain solely responsible for oversight of Licensee's finances.

SECTION 3: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as follows:

3.1 Organization and Authority of Seller. Seller is (i) a limited liability company validly existing and in good standing under the laws of the state of Ohio and (ii) qualified to do business and in good standing under the laws of the state of Iowa. Seller has the requisite power and authority to own, lease and operate its properties, to carry on its business in the places where such properties are now owned, leased or operated and such business is now conducted, and to execute, deliver and perform this Agreement and the documents contemplated hereby according to their respective terms. Seller is not a participant in any joint venture or partnership with any other Person (excluding Buyer) with respect to any part of the operations of the Station or any of the Assets. Except as set forth on Schedule 3.1, Seller has no subsidiaries and does not own any equity interest in any other entity and the entity listed thereon has no assets other than those described on Schedule 3.1.

3.2 Authorization and Binding Obligation. The execution, delivery and performance of this Agreement by Seller has been duly authorized by all necessary action on the part of Seller and Seller's managers and members. This Agreement has been duly executed and delivered by Seller and constitutes its legal, valid, and binding obligation, enforceable against it in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

3.3 Absence of Conflicting Agreements; Consents. Subject to obtaining the Consents listed on Schedule 3.3, the execution, delivery and performance by Seller of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) do not and will not require the consent of any third party; (b) does not and will not conflict with any provision of the Articles of Organization or Operating Agreement of Seller; (c) does not and will not conflict with, result in a breach of, or constitute a default under any Legal Requirement or Judgment; (d) does not and will not conflict with, constitute grounds for termination of, result in a material breach of, by the terms of any material agreement instrument, license, or permit to which Seller is a party or by which Seller may be bound legally; and (e) does not and will not create any Lien upon any of the Assets. Except for the FCC Consent provided for in Section 5.1 and the other Consents described in Schedule 3.3, no consent,

approval, permit, or authorization of, or declaration to, or filing with any Governmental Authority or other third party is required (i) to consummate this Agreement and the transactions contemplated hereby, or (ii) to permit Seller to transfer and convey the Assets to Buyer.

3.4 Authorizations.

(a) Schedule 3.4 includes a true and complete list of the Authorizations. Seller has provided to Buyer true and complete copies of the Authorizations (including any amendments and other modifications thereto). The Authorizations have been validly issued, Seller is the authorized legal holder of each of the Licenses, and of each of the other Authorizations. The Authorizations listed on Schedule 3.4 comprise all of the material licenses, permits, and other authorizations required from any Governmental Authority for the lawful conduct in all material respects of the business and operations of the Station in the manner and to the full extent they are now conducted, and none of the Authorizations is subject to any unusual or special restriction or condition that could reasonably be expected to limit the full operation of the Station as now operated. The Authorizations are in full force and effect, and the conduct of the business and operations of the Station is, in all material respects, in accordance therewith. Seller has no reason to believe that, under existing Legal Requirements, any of the Licenses or other Authorizations would not be renewed by the FCC or other granting Governmental Authority in the ordinary course.

(b) No action or proceeding is pending or, to the Knowledge of the Seller, threatened before the FCC or any other Governmental Authority to revoke, refuse to renew or modify the Licenses or other Authorizations of Seller or the Station, and to Seller's Knowledge, no event has occurred which permits, or after notice or lapse of time or both would permit, the revocation, cancellation or rescission of any of the Licenses or other Authorizations. There is not now issued or outstanding, or to the Knowledge of Seller pending or threatened, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or notice of forfeiture or complaint against Seller with respect to the Station.

3.5 Real Property. Schedule 3.5 contains a complete and accurate description of all Real Property Interests (including street address, legal description, where known, owner, and Seller's use thereof). The Real Property Interests listed on Schedule 3.5 comprise all interests in real property necessary to conduct the business and operations of the Station as now conducted. Except as described on Schedule 3.5, Seller owns and has good, marketable and insurable fee simple absolute title or has good leasehold title to each Real Property Interest (in each case as indicated on Schedule 3.5), and none of the Real Property Interests held by Seller is subject to any Lien, except for Permitted Encumbrances. True and complete copies of the last deed of record, title insurance policies and surveys pertaining to any owned Real Property Interests have heretofore been furnished by the Sellers to Buyer. Except as disclosed on Schedule 3.5, there are no parties in possession of any portion of the Real Property Interests other than Sellers, whether as lessees, sublessees, licensees or tenants at will. Seller has not subjected the Real Property Interests to any easements, rights, duties, obligations, covenants, conditions, restrictions, limitations or agreements not of record. Seller has not received written notice of or otherwise has Knowledge of any pending condemnation or similar proceeding affecting the Real Property Interests or any portion thereof, and to the Knowledge of Seller, no such condemnation or similar proceeding is presently contemplated or threatened. The current use of the Real Property

Interests does not violate any restrictive covenants affecting the Real Property Interest or otherwise violate in any material respect any Law. To the Knowledge of Seller, there is no Law now in existence the operation of which would require Seller to make any material expenditure to modify or improve any of the Real Property Interests or to bring such Real Property Interests into substantial compliance therewith. To the Knowledge of Seller, there are no facts that would prevent any portion of the Real Property Interest from being occupied after the Closing in substantially the same manner as currently occupied.

With respect to each leasehold or subleasehold interest included in the Real Property Interests, so long as Seller fulfills its obligations under the lease therefor, it has enforceable rights to nondisturbance and quiet enjoyment against its lessor or sublessor and, to the Knowledge of Seller, except as set forth in Schedule 3.5, no third party holds any interest in the leased premises with the right to foreclose upon Seller's leasehold or subleasehold interest. Seller has legal and practical access to all of the Real Property Interests. All towers, guy anchors, buildings and other improvements included in the Assets are located entirely on the Real Property Interests listed in Schedule 3.5. All Real Property Interests (i) are in good condition and repair consistent with its present use, (ii) are available for immediate use in the conduct of the business and operations of the Station, and (iii) comply in all material respects with all applicable material building or zoning codes and other Legal Requirements except to the extent that the current use by Seller, while permitted, constitutes or would constitute a "nonconforming use" under current zoning or land use regulations.

3.6 Tangible Personal Property. Schedule 3.6 lists the Transmitter Equipment (identified thereon as such) and all other material items of Tangible Personal Property. The Tangible Personal Property listed on Schedule 3.6 comprises all material items of tangible personal property necessary to conduct the business and operations of the Station as now conducted. Except as described on Schedule 3.6, Seller owns and has good title to each item of Tangible Personal Property, and none of the Tangible Personal Property is subject to any Lien, except for Permitted Encumbrances. With allowance for normal repairs, maintenance, wear and obsolescence, each material item of Tangible Personal Property is in good operation, condition, and repair and is available for immediate use in the business and operations of the Station. All material items of transmitting and studio equipment included in the Tangible Personal Property have been maintained in a manner consistent with generally accepted standards of good engineering practice and will permit the Station and any unit auxiliaries thereto to operate in accordance with the terms of the Licenses and other Authorizations, the rules and regulations of the FCC, and in all material respects with all other applicable Legal Requirements.

3.7 Contracts. Schedule 3.7 is a true and complete list of all Contracts which either (a) have a remaining term (including any renewals or extension options) of more than six months after the date hereof, or (b) require expenditures in excess of Five Thousand Dollars (\$5,000) individually after the Effective Time, except contracts with advertisers for production or the sale or advertising time on the Station for cash at rates consistent with past practices that may be canceled by Seller without penalty on not more than thirty (30) days' notice. Schedule 3.7 includes a supplementary schedule setting forth the following information as of a recent date (as indicated on such supplementary schedule) with respect to each Programming Contract: (i) the identity of the licensed programming, (ii) the number of exhibitions thereof originally licensed, (iii) the number of exhibitions on the Station then available to Seller, (iv) the unpaid license fees

on a monthly basis, (v) the expiration of the license, (vi) the consideration paid or payable for each program, and (vii) the consideration paid or payable for additional episodes for which Seller may be liable. Seller has delivered to Buyer true and complete copies of all written Assumed Contracts (including any amendments and other modifications to such Contracts), and true and complete descriptions of all oral Assumed Contracts (including any amendments and other modifications to such Contracts). Other than the Contracts listed on Schedule 3.7, Seller requires no contract, lease or other agreement to enable it to carry on its business in all material respects as now conducted. All of the Contracts are in full force and effect and are valid, binding, and enforceable in accordance with their terms and, with respect to each Contract, there exists no material default on the part of Seller or, to the Knowledge of Seller, the other parties thereto. Except as disclosed on Schedule 3.7, other than in the ordinary course of business, Seller does not have Knowledge of any intention by any party to any Contract (i) to terminate such Contract or amend the terms thereof, (ii) to refuse to renew the Contract upon expiration of its term, or (iii) to renew the Contract upon expiration only on terms and conditions that are more onerous than those now existing. Except for the need to obtain the Consents listed on Schedule 3.3, the exchange and transfer of the Assets in accordance with this Agreement will not affect the validity, enforceability or continuation of any of the Contracts.

3.8 Intangibles. Schedule 3.8 is a true and complete list of all Intangibles (exclusive of Authorizations listed in Schedule 3.4) that are required to conduct the business and operations of the Station as now conducted. Seller has provided to Buyer copies of all documents establishing or evidencing the Intangibles listed on Schedule 3.8. Other than with respect to matters generally affecting the television broadcasting industry and not particular to Seller, to Seller's Knowledge, Seller is not, nor has Seller received any notice or demand alleging that Seller is infringing upon or otherwise acting adversely to any trademarks, trade names, service marks, service names, copyrights, patents, patent applications, know-how, methods, or processes owned by any other Person, and there is no Action pending or, to the Knowledge of Seller, threatened with respect thereto.

3.9 Title to Properties. Except as disclosed in Schedule 3.5 or 3.6, Seller has good and marketable title to or has valid leasehold interest in the Non-License Assets, and good and marketable title to the License Assets, in each case subject to no Liens, except for Permitted Encumbrances.

3.10 Financial Statements. Seller has furnished Buyer with true and complete copies of internal financial statements of the Station containing a balance sheet, statement of income, and statement of cash flows as at and for the fiscal year ended December 31, 2006, and an internally prepared balance sheet and statement of income as at and for the eleven (11) months ended November 30, 2007 (collectively, the "**Financial Statements**"). The Financial Statements have been prepared from the books and records of Seller and have been prepared in a manner consistent with generally accepted accounting principals (except in the case of the financial statements relating to 2007, for the absence of footnotes and certain year-end adjustments, none of which are material. Also there is a GAAP departure for (i) the payment of programs is recorded on the basis of cash payments (which include at least the number of payments in each statement of income as is equal to the number of calendar months covered by such statement, except for contracts which commenced during the period for which up to 75 days of deferral of payment is allowed) and not amortized over the life of the programming and (ii) not

consolidating a 75% owned subsidiary, Second Generation Realty of Iowa). The Financial Statements accurately reflect the books, records, and accounts of Seller, present fairly the financial condition of the Station as at its respective dates and the results of operations for the periods then ended, and none of the Financial Statements understates in any material respect the true costs and expenses of conducting business or operations of the Station as currently conducted by Seller or otherwise materially inaccurately reflects the operations of the Station other than the effect, if any, of the GAAP departures noted above.

3.11 Taxes. Except as set forth in Schedule 3.11, Seller has filed or caused to be filed all Tax Returns that are required to be filed with respect to its ownership and operation of the Station, and has paid or caused to be paid all taxes shown on those returns or on any tax assessment received by it to the extent that such Taxes have become due, or have set aside on their books adequate reserves (segregated to the extent required by generally accepted accounting principles) with respect thereto. Such Tax Returns are true and compete in all material respects. There are no Actions pursuant to which Seller is or could be made liable for any Taxes, penalties, interest, or other charges, the liability for which could extend to Buyer as transferee of the business of the Station, and no event has occurred that could impose on Buyer any transferee liability for any Taxes, penalties, or interest due or to become due from Seller.

3.12 Insurance. Schedule 3.12 is a true and complete list of all insurance policies covering the Assets. All policies of insurance listed in Schedule 3.12 are in full force and effect. During the past three (3) years, no insurance policy of Seller or the Station has been cancelled by the insurer, and no application of Seller for insurance has been rejected by any insurer.

3.13 Reports. All material returns, reports, and statements that the Station is currently required to file with the FCC and all material returns, reports, and statements, if any, that the Station is currently required to file with the Federal Aviation Administration, have been filed, all reporting requirements of the FCC and the Federal Aviation Administration, if any, have been complied with in all material respects, including items required to be placed in the Station's public inspection file. All of such returns, reports, and statements, as filed, that relate to the Station, to Seller's Knowledge, satisfy all applicable Legal Requirements.

3.14 Personnel and Employee Benefits.

(a) Employees and Compensation. Schedule 3.14 contains a true and complete list of all employees of Seller or its Affiliates who are employed at the Station as of the date hereof (collectively, the "Employees") and indicates the salary or hourly wage to which each such Employee is currently entitled (limited in the case of Employees who are compensated on a commission basis to a general description of the manner in which such commissions are determined), any bonus for which the Employee may be eligible, the Employee's date of hire and the Employee's title. Schedule 3.14 includes all Employees of Seller who are on leave pursuant to the Family Medical Leave Act of 1993 or otherwise and indicates whether such leave is paid or unpaid. Schedule 3.14 also contains a true and complete list of all employee benefit plans or arrangements covering any Employee, including any:

(1) "employee welfare benefit plan," as defined in Section 3(1) of ERISA, that is maintained or administered by Seller or any Affiliate for the benefit of, or to

which Seller or any Affiliate contribute or are required to contribute on behalf of, any Employees (a “Welfare Plan”);

(2) “multiemployer pension plan,” as defined in Section 3(37) of ERISA, that is maintained or administered by Seller or any Affiliate for the benefit of, or to which Seller or any Affiliate contribute or are required to contribute on behalf of, any Employees (a “Multiemployer Plan”);

(3) “employee pension benefit plan,” as defined in Section 3(2) of ERISA (other than a Multiemployer Plan), that is maintained or administered by Seller or any Affiliate for the benefit of, or to which Seller or any Affiliate contribute or are required to contribute on behalf of, any Employees (a “Pension Plan”);

(4) employee plan that is maintained in connection with any trust described in Section 501(c)(9) of the Code, as amended, which benefits any Employee or any employee’s dependents or beneficiaries (together with the Welfare Plans, Multiemployer Plans and Pension Plans, the “Benefit Plans”); and

(5) employment, severance, or other similar contract, arrangement, or policy and each plan or arrangement (written or oral) providing for insurance coverage (including any self-insured arrangements), workers’ compensation, disability benefits, supplemental unemployment benefits, vacation benefits, or retirement benefits or for deferred compensation, profit sharing, bonuses, stock options, stock appreciation rights, stock purchases, or other forms of incentive compensation or post-retirement insurance, compensation or benefits that (i) is not a Welfare Plan, Pension Plan, or Multiemployer Plan, and (ii) is entered into, maintained, contributed to, or required to be contributed to by Seller or any Affiliate, or under which Seller or any Affiliate has any liability (collectively, “Benefit Arrangements”).

(b) Pension Plans. Any Pension Plan which is a profit sharing plan under the terms of Section 412(h)(1) of the Code. In all material respects, each Pension Plan complies currently and has been maintained in compliance with its terms and, both as to form and in operation, with all requirements prescribed by any and all statutes, orders, rules, and regulations that are applicable to such plans, including ERISA and the Code.

(c) Welfare Plans. In all material respects, each Welfare Plan complies currently and has been maintained in compliance with its terms and, both as to form and in operation, with all requirements prescribed by any and all statutes, orders, rules, and regulations that are applicable to such plans, including ERISA and the Code. Seller does not sponsor, maintain, or contribute to any Welfare Plan or Benefit Arrangement that provides post-termination health or death benefits to any current or former employee of the Seller or any Affiliate employed at the Station other than as required by Section 4980B of the Code.

(d) Compliance. No Pension Plan has any accumulated funding deficiency (as defined in ERISA). No Pension Plan has been terminated; and there have been no reportable events (within the meaning of § 4043 of Subtitle C of ERISA) with respect to any Pension Plan or Benefit Plan. Neither Seller, nor to Seller’s Knowledge, any plan fiduciary has engaged in any

non-exempt "prohibited transactions" as defined in Section 406 of ERISA or Section 4975 of the Code with respect to any Benefit Plan.

(e) Benefit Arrangements. In all material respects, each Benefit Arrangement has been maintained in compliance with its terms and, both as to form and in operation, with all requirements prescribed by any and all statutes, orders, rules, and regulations that are applicable to such Benefit Arrangement. Except for those employment agreements listed on Schedule 3.7, Seller has no oral or written contract prohibiting Seller (or its Affiliate) from terminating any Employee without prior notice and without liability for any penalty or any continuing obligation to such Employee (including, for example, severance pay).

(f) Multiemployer Plans. Neither Seller nor any Affiliates have at any time contributed to, or been required to contribute to, any Multiemployer Plan on behalf of any Employees.

(g) Delivery of Copies of Relevant Documents and Other Information. Seller has delivered or made available to Buyer true and complete copies of each of the following documents:

(1) each Welfare Plan and Pension Plan, including all amendments thereto (and, if applicable, related insurance contracts, trust agreements, annuity contracts or other funding instruments), and any written descriptions thereof that have been distributed to Employees, including the current summary plan description, any summary of material modifications, and any enrollment forms; and

(2) each Benefit Arrangement, including all amendments thereto (and, if applicable, any funding instruments), and any written descriptions thereof that have been distributed to Employees and a complete description of any Benefit Arrangement that is not in writing.

(h) Labor Relations. Except as set forth in Schedule 3.14, Seller is not a party to or subject to any collective bargaining agreement or written or oral employment with respect to the employment of any Employee, and Seller is not a party to any oral or written consulting or other agreement with respect to the personal services of any independent contractor. With respect to the Employees, Seller has complied in all material respects with all laws, rules, and regulations relating to the employment of labor, including those related to wages, hours, collective bargaining, occupational safety, discrimination, and the payment of social security and other payroll related taxes, and have not received any notice alleging that Seller has failed to comply with any such laws, rules, or regulations. Except as set forth in Schedule 3.14, no controversies, disputes or proceedings are pending or, to the Knowledge of Seller, threatened between Seller and any Employee (singly or collectively). Except as set forth on Schedule 3.14, no labor union or other collective bargaining unit represents or claims to represent any of the Employees. To the Knowledge of the Seller, there is no union campaign being conducted to solicit cards from any Employees to authorize a union to represent any of the Employees or to request a National Labor Relations Board certification election with respect to any Employees.

3.15 Claims and Legal Actions. Except as disclosed on Schedule 3.15 and except for any FCC rulemaking proceedings generally affecting the television broadcasting industry and not particular to Seller, there is no claim or other Action nor any Judgment in progress or pending or, to the Knowledge of Seller, threatened against or relating to the Assets or the business or operations of the Station, nor does Seller know of any basis for the same.

3.16 Environmental Matters.

(a) Seller and the Real Property Interests are in compliance in all material respects with all Environmental Laws, and no Action has been filed or commenced against Seller alleging any failure to comply with any Environmental Law. Seller has obtained and currently maintains all material permits, licenses, and other authorizations that are required under all Environmental Laws.

(b) With respect to the period during which Seller has owned and/or occupied the Real Property Interests and, to the Knowledge of Seller, with respect to the time before Seller owned and/or occupied any Real Property Interests, no person has caused or permitted Hazardous Materials to be present or Handled on, under or at any Real Property Interests owned, leased, used, or occupied by Seller which Hazardous Materials, if known to be present, would require cleanup, removal or other remedial action under any Environmental Laws.

(c) There are not now, nor, to the Knowledge of Seller, have there previously been, tanks, or other facilities on, under or at the Real Property Interests which contained any Hazardous Materials which, if known to be present in soils or ground water, would require cleanup, removal, or some other remedial action under Environmental Laws.

(d) There are no conditions existing currently at the Real Property owned, leased, used, or occupied by Seller which would subject Seller to damages, penalties, injunctive relief, or cleanup costs under any Environmental Laws or which require cleanup, removal, remedial action, or other response pursuant to Environmental Laws by Seller.

(e) The operation of the Station does not exceed the permissible levels of exposure to RF radiation specified in the FCC's Legal Requirements concerning RF radiation.

3.17 Compliance with Laws. Seller complies and has complied in all material respects with the Licenses and all Legal Requirements and Judgments applicable to the ownership and operation of the Station.

3.18 Conduct of Business in Ordinary Course. Since January 1, 2007, Seller has conducted its business and operations in the ordinary course consistent with past practice in all material respects, and, except as disclosed in Schedule 3.18, has not:

(a) increased the compensation payable or to become payable to any Employees other than increases in the normal and usual course of business, consistent with past practice, which were either (i) not in excess of 5% of the rate of pay as of such date, or (ii) made in connection with a change in an employee's responsibilities;

- (b) materially changed any personnel policy, Welfare Plan, Pension Plan or Benefit Arrangement;
- (c) canceled any debts owed to or claims held by Seller, except in the normal and usual course of business;
- (d) made any changes in Seller's accounting practices;
- (e) suffered any write-down of the value of any Assets or any material write-off as uncollectible of any accounts receivable which individually or in the aggregate is material;
- (f) transferred or granted any right under or entered into any settlement regarding the breach or infringement of any license, patent, copyright, trademark, trade name, franchise or similar right, or modified any existing rights;
- (g) amended or terminated any Contract or License to which Seller is a party, except in the ordinary course of business;
- (h) lowered in any material respects the advertising rates of the Station in a manner not consistent with past practices or not reflective of current market conditions;
- (i) received notice from any sponsor or any customer as to the sponsor's or customer's intention not to conduct business with the Station, the result of which loss or losses of business, individually, or in the aggregate, has had, or could reasonably be expected to have, a Material Adverse Effect; or
- (j) suffered any Material Adverse Effect.

3.19 Transactions with Affiliates. Except as disclosed in the Financial Statements or as described herein, Seller has not been involved in any business arrangement or relationship with any Affiliate of Seller, and no Affiliate of Seller owns any property or right, tangible or intangible, relating to or that is used in the business of the Station.

3.20 Broker. Neither Seller nor any Person acting on Seller's behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement.

3.21 Multi-Channel Video Program Distributors. The Stations is being retransmitted pursuant to valid "must carry" elections or retransmission consent agreements by all multi-channel video program distributors serving the Cedar Rapids designated market area as detailed by MVPD and channel position on Schedule 3.21 hereto

3.22 Full Disclosure. No representation or warranty made by Seller in this Agreement or in any certificate, document, or other instrument furnished or to be furnished by Seller pursuant to this Agreement contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact that is required to make any statement made herein or therein not misleading.

SECTION 4: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

4.1 Organization, Standing and Authority. Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland and has the requisite corporate power and authority to execute, deliver and perform this Agreement and the documents contemplated hereby according to their respective terms and to own the Assets.

4.2 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes a legal, valid, and binding obligation of Buyer enforceable against Buyer in accordance with its terms, except as its enforceability may be limited by Enforceability Exceptions.

4.3 Absence of Conflicting Agreements and Required Consents. Subject to obtaining the Consents of the FCC and other Governmental Authorities listed on Schedule 3.3, the execution, delivery, and performance by Buyer of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the Certificate or Articles of Incorporation or Bylaws of Buyer; (b) will not conflict with, result in a breach of, or require the consent of any Governmental Authority under, any applicable Legal Requirement or Judgment; and (c) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by, or require the consent of any third party under, the terms of any agreement, instrument, license, or permit to which Buyer is a party or by which Buyer may be bound.

4.4 Brokers. Neither Buyer nor any person or entity acting on its behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement.

SECTION 5: SPECIAL COVENANTS AND AGREEMENTS

5.1 FCC Consent.

(a) The purchase and sale of the License Assets as contemplated by this Agreement is subject to the prior consent and approval of the FCC.

(b) Within ten (10) Business Days after the receipt by Seller of written notice from Buyer indicating that Buyer desires to file an appropriate application for FCC Consent (the "**FCC Application**"), Seller and Buyer shall prepare and file with the FCC the FCC Application. The parties acknowledge that the FCC Application may involve the preparation and filing of a request to waive any FCC rules that otherwise prohibits the contemplated transaction (the "**Waiver Request**"). The parties shall thereafter prosecute the application with all reasonable diligence, shall cooperate in the preparation of the Waiver Request and otherwise use their respective best efforts to obtain a grant of the application as expeditiously as practicable. Counsel to Buyer, subject to Seller's counsel approval, shall prepare the Waiver Request. Each party agrees to comply with any condition imposed on it by the FCC Consent, except that no party shall be

required to comply with a condition if (i) the condition was imposed on it as the result of a circumstance, the existence of which does not constitute a breach by that party of any of its representations, warranties or covenants hereunder, and (ii) compliance with the condition would have a Material Adverse Effect upon it. Buyer and Seller shall oppose any petitions to deny or other objections filed with respect to the application for the FCC Consent and any requests for reconsideration or judicial review of the FCC Consent.

(c) If the License Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement under Section 8, the parties shall jointly request an extension of the effective period of the FCC Consent. No extension of the effective period of the FCC Consent shall limit the exercise of either party of its right to terminate the Agreement under Section 8.

(d) In the event the FCC Application is withdrawn, or denied or dismissed by the FCC, Seller agree to resubmit their application for FCC Consent promptly upon Buyer's request.

(e) At any time prior to the FCC Consent becoming a Final Order (regardless of whether or not the FCC Application has been filed), Buyer shall have an option to acquire up to the maximum percentage of Buyer's equity then permitted by the rules and regulations of the FCC to be owned by Provider, at a price equal to such percentage interest multiplied by the License Price.

5.2 Covenants of Seller. Seller covenants and agrees from and after the execution and delivery of this Agreement to and including the First Closing Date, and to and including the License Closing Date with respect to the License Assets, as follows:

(a) Commercially Reasonable Efforts. Seller shall use its commercially reasonable efforts to cause the transactions contemplated by this Agreement to be consummated in accordance with the terms hereof.

(b) Ordinary Course. Seller shall operate the Station and maintain the Assets in the ordinary course of business consistent with past practice, including maintaining appropriate insurance on the Assets, and maintaining and repairing the Tangible Personal Property (with suitable replacements being obtained as necessary with respect thereto). Seller shall use commercially reasonable efforts to keep its organization intact, preserve and maintain the Assets and properties of the Station, preserve the Business and preserve the goodwill of suppliers, customers, Governmental Authorities and others dealing with Seller. Seller shall not create, assume, consent to or suffer to exist any Lien on any of its Assets (other than Permitted Encumbrances). Seller's financial Books and Records shall be maintained in accordance with generally acceptable accounting principles, in the usual manner on a basis consistent with prior years.

(c) Compliance with Laws. Seller shall comply in all material respects with all Legal Requirements and Authorizations applicable to Seller, the Station or the conduct of the business.

(d) Contracts. Seller will not renew, extend, amend or terminate, or waive any material right under, any Assumed Contract, or enter into any contract or commitment or incur any obligation (including obligations arising from the amendment of any existing Contract) that will be assumed by or be otherwise binding on Buyer after the First Closing or the License Closing (as applicable), except for (i) cash time sales agreements and production agreements made in the ordinary course of business consistent with Seller's past practices, (ii) the renewal or extension of any existing Contract (other than Programming Contracts) on its existing terms in the ordinary course of business, (iii) other contracts (other than Programming Contracts) entered into in the ordinary course of business consistent with Seller's past practices that do not involve consideration, in the aggregate, in excess of \$10,000 measured at the First Closing and (iv) Programming Contracts entered into in the ordinary course of business consistent with Seller's past practices. Prior to the First Closing Date, Seller shall deliver to Buyer a list of all Contracts entered into between the date of this Agreement and the First Closing Date and shall provide Buyer copies of such Contracts. Prior to the License Closing Date, Seller shall deliver to Buyer a list of all Contracts entered into between the date of this Agreement and the License Closing Date and shall provide Buyer copies of such Contracts.

(e) Access. Seller shall give to Buyer and its agents reasonable access during normal business hours to all of Seller's personnel, premises, properties, assets, financial statements and records, books, contracts, documents and commitments of or relating to the Station that are in Seller's possession or control, and shall furnish Buyer with all such information concerning the affairs of the Station as Buyer may reasonably request. This shall specifically include access to billing, customer service and maintenance personnel and records.

(f) No Inconsistent Action. Seller shall take no action that is inconsistent with its obligations under this Agreement in any material respect or that could reasonably be expected to hinder or delay the consummation of the transactions contemplated by this Agreement. Seller shall not (i) sell, transfer, lease, assign or otherwise dispose of or distribute any of the Assets except in the ordinary course of business with suitable replacements being obtained therefor, (ii) knowingly solicit, encourage, entertain, negotiate or enter into any such transaction or agreement of the nature described in clause (i) above, or (iii) provide any non-public information about the Station to any third party except as required by applicable Legal Requirements.

(g) Update of Schedules. Prior to the First Closing, Seller shall provide an updated set of Schedules to Buyer to disclose any information of the nature of that set forth in the Schedules that arises after the date hereof and that would have been required to be included in the Schedules if such information had existed on the date hereof. The representations and warranties of Seller deemed made as of the First Closing shall be qualified by the additional disclosures in the updated Schedules only to the extent that prior to the First Closing Buyer shall state in writing that such additional disclosures are acceptable.

(h) Lien Searches. Prior to the First Closing, Seller shall provide to Buyer copies of (i) UCC, tax, Lien and Judgment searches of the records of all relevant jurisdictions that pertain to Seller and the Assets, along with documentation showing disposition of any Liens, other than Permitted Encumbrances, in a manner reasonably satisfactory to Buyer, (ii) Seller's 2007 sales and use tax returns and (iii) a schedule showing the remaining usage for each film contract of the Station with seasons separately identified..

5.3 Confidentiality. Except as necessary for the consummation of the transaction contemplated by this Agreement and except as and to the extent required by law, each party will keep confidential all information obtained from the other party in connection with the transactions contemplated by this Agreement (unless such information is or thereafter becomes generally available to the public, is otherwise available to it on a non-confidential basis from another source, or has been developed independently by it). If this Agreement is terminated pursuant to its terms, each party will return to the other party all information obtained by such party from the other party in connection with the transactions contemplated by this Agreement.

5.4 Cooperation. Buyer and Seller shall reasonably cooperate with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement and in connection with any litigation after the First Closing Date which relates to the Station for periods prior to the FCC Effective Time. Buyer and Seller shall execute such other documents as may be reasonably necessary and desirable to the implementation and consummation of this Agreement and otherwise use their commercially reasonable efforts to consummate the transaction contemplated hereby and to fulfill their obligations under this Agreement. Notwithstanding the foregoing, and except as otherwise expressly provided in this Agreement, Buyer shall have no obligation to agree to any adverse change in any Authorization or Assumed Contract in order to obtain a Consent required with respect thereto.

5.5 Allocation of Purchase Price. Buyer and Seller shall each allocate the Purchase Price in a manner consistent with the allocation set forth on Schedule 5.5. Subject to such agreement on the allocation of the Purchase Price, no filings made by either party with any taxing or other authority shall reflect an allocation other than in the manner agreed upon and each party shall timely make all filings required by any taxing authority, including the filing of Internal Revenue Service Form 8594.

5.6 Access to Books and Records; Delivery of Financial Statements. To the extent reasonably requested by Buyer, Seller shall provide Buyer access and the right to copy from and after the First Closing Date any books and records relating to the Assets but not included in the Assets. To the extent reasonably requested by Seller, Buyer shall provide Seller access and the right to copy from and after the First Closing Date any books and records relating to the Assets that are included in the Assets. Within five (5) business days following the end of each calendar month occurring the period between the First Closing and the License Closing Seller shall provide Buyer with financial statements for each such month, consisting of balance sheets as of the end of such month and related statements of income, prepared in accordance with generally accepted accounting principles, consistently applied, setting forth the financial results of Seller for each such month insofar as such results relate to the Station.

5.7 Employee Matters.

(a) Effective as of the First Closing Date, Buyer shall offer to employ all Employees, except those designated by Seller on Schedule 5.7A, which designation shall include the general manager of the Station and two (2) employees at the Station employed by Seller to meet their FCC obligation (such two employees, the "Licensee Employees"). Effective as of the License Closing Date, Buyer shall offer to employ both Licensee Employees. The terms and

conditions of employment offered by Buyer to any such employee, whether at the First Closing or the License Closing, will be established by Buyer in its discretion. Any Employee who accepts Buyer's offer of employment is referred to herein as a "**Transferred Employee**").

(b) Except as provided otherwise in this Section 5.7, Seller shall pay, discharge, and be responsible for (i) all salary, wages and liabilities arising out of or relating to the employment of the Employees, and (ii) any liabilities arising under the Benefit Plans or Benefit Arrangements. Buyer shall pay, discharge, and be responsible for all salary, wages, and benefits arising out of or relating to the employment of the Transferred Employees by Buyer.

(c) On or prior to the First Closing Date or the License Closing Date, as applicable, Seller shall provide notice of the "continuation coverage" available under its "group health plan" to any "covered employee" or "qualified beneficiary" who experiences a "qualified event" as a result of the transaction contemplated by this Agreement. Buyer shall not assume any responsibility or liability to provide "continuation coverage" to any "covered employee" or "qualified beneficiary" who is covered by a "group health plan" sponsored, maintained or contributed to by Seller or its Affiliate and who has experienced a "qualified event," or is receiving such "continuation coverage," on or prior to the First Closing Date or the License Closing Date, as applicable. The terms "group health plan," "continuation coverage," "qualified beneficiary," "covered employee" and "qualified event" shall have the meanings set forth in Section 4980B of the Code and Section 601 et. seq. of ERISA. The Seller shall hold Buyer and any entity required to be combined with the Buyer under Section 414 of the Code ("**Affected Parties**") harmless from and fully indemnify such Affected Parties against any costs, expenses, losses, damages and liabilities incurred or suffered by such Affected Parties directly or indirectly, including, but not limited to, reasonable attorneys fees and expenses, which arise under a "group health plan" sponsored, maintained or contributed to by Seller or its Affiliate as a result of any action or omission of Seller or its Affiliate prior to the First Closing Date or the License Closing Date, as applicable, or because Buyer is deemed to be a successor employer to Seller or its Affiliate.

(d) Buyer shall cause each Transferred Employee to be eligible to participate in the "employee welfare benefit plans" and "employee pension benefit plans" (as defined in Section 3(1) and 3(2) of ERISA, respectively) of Buyer in which similarly situated employees of Buyer are generally eligible to participate; provided, however, that each Transferred Employee and his or her spouse and dependents shall be eligible for coverage under Buyer's group health plan as of their date of hire with Buyer to the extent that such individuals were participating in Seller's group health plan immediately prior to their becoming a Transferred Employee, and Buyer's group health plan shall not apply any preexisting condition limitations with respect to such Transferred Employee (or his or her spouse and dependents) except to the extent such limitations applied to such individual under the Welfare Plans. In addition, Buyer shall ensure that each Transferred Employee receives credit under Buyer's group health plan for any deductibles or co-payments paid by such Transferred Employee (and his or her spouse and dependents) under the Welfare Plans for the plan year that includes the Transferred Employee's first day of employment with Buyer.

(e) To the extent permissible under Buyer's employee benefit plans and applicable law, each Transferred Employee shall receive credit for past service with Seller and its

Affiliates (to the extent such service was credited by Seller and its Affiliates as of the applicable closing date for similar purposes) under Buyer's applicable vacation pay practices, health and welfare benefit plans (excluding any retiree medical plans) and tax-qualified 401(k) plan. To the extent taken into account in determining pro-rations pursuant to Section 2.3 hereof, Buyer shall assume and discharge Seller's liabilities for the payment of all unused vacation leave accrued by Transferred Employees as of the First Closing Date or License Closing Date, as applicable, and to the extent any Transferred Employee asserts a claim against Seller with respect to the payment of the accrued vacation leave liability assumed by Buyer, then Buyer shall indemnify, defend, and hold harmless Seller from and against any and all liability for the payment of such accrued vacation leave.

(f) The Seller shall be responsible for any liability or obligation arising under the Worker Adjustment and Retraining Notification Act, Public Law 100-379, as amended (the "WARN Act") and other similar statutes or regulations of any jurisdiction with respect to any termination of employment of any employee of Seller or its Affiliates, including any termination of employment that occurs in connection with the transactions contemplated by this Agreement, on or prior to the First Closing Date or the License Closing Date, and Seller shall be responsible for the issuance of any notices required by the WARN Act with respect to any such termination.

(g) On or prior to the First Closing Date, Seller shall cause each Transferred Employee to become fully vested in his or her account balance under the Pension Plan (the "Seller 401(k) Plan") and shall cause the Seller 401(k) Plan to be terminated. Prior to the applicable closing date, or as soon as administratively feasible thereafter, Seller shall make or shall cause to be made any matching or non-elective contribution required on behalf of each Transferred Employee under the Seller's 401(k) Plan and shall cause such contributions to be allocated to the account of each Transferred Employee without regard to any requirement in the Seller's 401(k) Plan that a participant work a certain number of hours and/or be employed as of a particular date in order to accrue such contributions. Seller shall furnish to the Buyer as soon as practicable on or prior to the First Closing Date (or License Closing Date, if applicable), but not later than the First Closing Date (or License Closing Date, if applicable), a list, calculated as of the First Closing Date (or License Closing Date, if applicable), of the amounts of compensation each Transferred Employee participating in the Seller's 401(k) Plan contributed to such plan (separately reporting any pre-tax and after-tax contributions) during the calendar year in which the First Closing Date (or License Closing Date, if applicable) occurs. Seller shall not require any Transferred Employee to accept a distribution (including a cash-out distribution) from the Seller's 401(k) Plan sooner than 90 days following the applicable closing date.

(h) This Section 5.7 shall operate exclusively for the benefit of the parties to this Agreement and not for the benefit of any other Person, including, without limitation, any current, future, former or retired employee of the Seller, Buyer or their respective Affiliates.

5.8 Joint Sales Agreement. Seller and Buyer agree to enter into at the First Closing an Amended and Restated Outsourcing Agreement (the "Outsourcing Agreement"), substantially in the form of Schedule 5.8, providing Buyer with the right to provide a limited amount of programming (including commercial announcements) to the Station, and to sell advertising time and provide other non-programming services to the Station during the period

between the First Closing and the License Closing and each of the parties hereto covenant to comply with all of their obligations set for in the Outsourcing Agreement.

5.9 Consents.

(a) Seller shall use commercially reasonable efforts to obtain all necessary Consents required in connection with this Agreement and the transactions contemplated hereby, including any required Consents of any Governmental Authorities with lawful jurisdiction over Seller. Seller shall make all filings with and give all notices to third parties that may be reasonably necessary of Seller in order to consummate the transactions contemplated hereby. Except as expressly provided in this Agreement, Seller shall not be required to make any payments to Persons who are parties to the Contracts in order to obtain their consents, other than administrative or application fees customary payable to such Persons in connection with requests for their consent.

(b) In the event that Seller is unable to obtain a necessary Consent from a third party to the assignment of a Contract to Buyer by the applicable Closing Date on which such Contract is to be assigned to Buyer ("**Consent-Pending Contract**"), Seller shall so advise Buyer and, to the extent permitted by Law, Buyer shall receive the benefits of such Consent-Pending Contracts on and after the applicable Closing Date. Such Consent-Pending Contracts will be treated as Assumed Contracts for the purposes of this Agreement, and Buyer will be responsible for and will timely perform all obligations under such Consent-Pending Contracts to the extent arising on and after the applicable Closing Date. Seller shall not assign any such Consent-Pending Contract to Buyer unless and until the consent from the third party to such Consent-Pending Contract is actually received. Buyer and Seller shall cooperate with one another to provide to Buyer the benefits of such Consent-Pending Contract until such time of the actual assignment thereof by Seller to Buyer following receipt of the necessary third-party consent. If, at any time, Buyer is not able to receive substantially all of the material benefits under any Consent-Pending Contract, such Consent-Pending Contract shall be treated as a Contract not to be assumed by Buyer, and Seller shall remain responsible for the obligations thereunder. If at any time after the applicable Closing Date any necessary third-party consent shall be received by Seller (other than with respect to a Consent-Pending Contract referred to in the immediately preceding sentence), such Consent-Pending Contract shall be assigned to and assumed by Buyer effective as of the date of the third party's consent to the assignment thereof.

5.10 Lease Agreement. The Seller and Buyer agree to enter in a lease agreement (the "**Lease**"), effective as of the First Closing Date, substantially in the form of Schedule 5.10 hereto, and providing Seller with certain rights to use the Assets during the pendency of the Outsourcing Agreement.

5.11 No Control. Notwithstanding any provision of this Agreement to the contrary, pending the License Closing, Seller shall maintain actual (*de facto*) and legal (*de jure*) control over the Licenses and the Station until the License Closing. Specifically, Seller shall retain responsibility for the operation of the business and the Station pending the License Closing, including responsibility for the following matters: access to and use of the facilities of and equipment owned by Seller; control of the daily operation of the Station; creation and implementation of policy decisions; employment and supervision of its employees; payment of

financing obligations and expenses incurred in the operation of the Station prior to the License Closing; and execution and approval of all applications prepared and filed before the FCC or any other Governmental Authority.

5.12 Tolling Agreement. Promptly following the First Closing, Seller will use good faith efforts to enter into a "tolling agreement" with the FCC on industry standard terms tolling the period of time during which the FCC may impose a fine on the Station for violations of the FCC's rules and regulations, including as a result of an indecency complaint previously filed against the Station, for the purpose of causing the FCC to grant the renewal of the Station's Licenses.

SECTION 6: CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER

6.1 Conditions to Obligations of Buyer at the First Closing. All obligations of Buyer at the First Closing hereunder are subject at Buyer's option to the fulfillment prior to or at the First Closing Date of each of the following conditions:

- (a) Representations and Warranties. All representations and warranties of Seller contained in this Agreement are true and complete in all material respects at and as of the First Closing Date (except for representations and warranties that speak as of a specific date or time which need only be true and complete as of such date or time)
- (b) Covenants. Seller has performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by it prior to or on the First Closing Date
- (c) Authorizations. Seller shall be the holder of all Licenses, and all other Authorizations. No Actions shall be pending, the effect of which could be to revoke, cancel, fail to renew, suspend, or modify materially and adversely any License or other Authorization.
- (d) Consents. The Consents, other than the FCC Consent, shall (i) have been obtained, in form and substance acceptable to Buyer, and (ii) be in full force and effect.
- (e) Legal Proceedings. No Judgment of any nature of any Governmental Authority of competent jurisdiction is in effect that restrains or prohibits the transactions contemplated by this Agreement.
- (f) Deliveries. Seller shall have made or stand willing and able to make all the deliveries to Buyer described in Section 7.2.
- (g) Environmental Phase I. Buyer shall have obtained a Phase I Environmental Site Assessment Report prepared consistent with ASTM Standard 1527-00 from an environmental engineering firm retained by Buyer concerning the Real Property that shall confirm, in a manner reasonably satisfactory to Buyer, the non-existence of any Hazardous Material, other than those not in violation of any Environmental Laws, on or about the Real Property Interest or any material violation of Environmental Laws.

6.2 Conditions to Obligations of Seller at the First Closing. All obligations of Seller at the First Closing hereunder are subject at Seller's option to the fulfillment prior to or at the First Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement are true and complete in all material respects at and as of the First Closing Date.

(b) Covenants. Buyer has performed and complied in all material respects with all covenants, agreements and conditions required by this Agreement to be performed or complied with by it prior to or on the First Closing Date.

(c) Consents. The Consents of Governmental Authorities, other than the FCC Consent, shall (i) have been obtained, and (ii) be in full force and effect.

(d) Legal Proceedings. No Judgment of any nature of any Governmental Authority of competent jurisdiction shall be in effect that restrains or prohibits the transactions contemplated by this Agreement.

(e) Deliveries. Buyer shall have made or stand willing and able to make all the deliveries described in Section 7.3.

6.3 Conditions to Obligation of Buyer at the License Closing. All obligations of Buyer at the License Closing hereunder are subject at Buyer's option to the fulfillment prior to or at the License Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller contained in this Agreement that relate specifically to the License Assets or the period prior to the License Closing shall be true and complete in all material respects at and as of the License Closing Date as though made at and as of that time (except for representations and warranties that speak as of a specific date or time which need only be true and complete as of such date or time).

(b) Covenants. Seller shall have performed and complied in all material respects with all covenants and agreements relating specifically to the License Assets and required by this Agreement to be performed or complied with by them prior to or on the License Closing Date.

(c) Authorizations. Seller shall be the holder of all Licenses, and no Actions shall be pending, the effect of which could be to revoke, cancel, fail to renew, suspend, or modify materially and adversely any License.

(d) FCC Consent. The FCC Consent shall (i) have been obtained, in form and substance acceptable to Buyer, (ii) be in full force and effect, and (iii) have become a Final Order. No action shall have been taken by the FCC or other Governmental Authority that is pending as of the License Closing Date with respect to the FCC Consent that makes illegal, restrains or prohibits the consummation of the transactions contemplated hereby.

(e) Legal Proceedings. No Judgment of any nature of any Governmental Authority of competent jurisdiction shall be in effect that restrains or prohibits the transactions contemplated by this Agreement.

(f) Deliveries. The Seller shall have made or stand willing and able to make all deliveries to Buyer described in Section 7.4.

6.4 Conditions to Obligations of Seller at the License Closing. All obligations of Seller at the License Closing hereunder are subject at Seller's option to the fulfillment prior to or at the License Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement that relates specifically to the License Closing shall be true and complete in all material respects at and as of the License Closing Date as though made at and as of that time (except for representations and warranties that speak as of a specific date or time which need only be true and complete as of such date or time).

(b) Covenants. Buyer shall have performed and complied in all material respects with all covenants, agreements and conditions relating specifically to the License Assets and required by this Agreement to be performed and complied with Buyer prior to or on the License Closing Date.

(c) FCC Consent. The FCC Consent shall have been issued, and no action shall have been taken by the FCC or other Governmental Authority that is pending as of the License Closing with respect to the FCC Consent that makes illegal, restrains or prohibits the consummation of the transactions contemplated hereby.

(d) Legal Proceedings. No Judgment of any nature of any Governmental Authority of competent jurisdiction shall be in effect that restrains or prohibits the transactions contemplated by this Agreement.

(e) Deliveries. Buyer shall have made or stand willing and able to make all the deliveries described in Section 7.5.

SECTION 7: CLOSING AND CLOSING DELIVERIES

7.1 The Closings.

(a) First Closing Date. Except as otherwise agreed to by Buyer and Seller, the First Closing shall take place at 10:00 a.m. on February 1, 2008; provided, if all of the Consents, other than the FCC Consent, shall not have been obtained by February 1, 2008, the the First Closing shall take place at 10:00 a.m. on a date to be set by Buyer on at least five (5) days' written notice to Seller which shall not be earlier than the first Business Day or later than ten (10) Business Days after the Consents shall have been obtained, other than the FCC Consent.

(b) License Closing Date. Except as provided below in this Section 7.1 or as otherwise agreed to by Buyer and Seller, the License Closing shall take place at 10:00 a.m. on a date to be set by Buyer on at least five (5) days' written notice to Seller which shall not be earlier

than the first Business Day after the FCC Consent shall have been issued or later than ten (10) Business Days after the FCC Consent shall have become a Final Order.

(c) Postponement of Closing.

(1) If any event occurs that prevents signal transmission by the Station in the normal and usual manner and Seller cannot restore the normal and usual transmission before the date on which the License Closing would otherwise occur pursuant to this Section 7.1, the License Closing shall be postponed to such date as is necessary (but only until a date within the effective period of the FCC Consent (as it may be extended pursuant to Section 5.1(c)) to allow Seller to restore the normal and usual transmission; provided, that the foregoing shall not apply to postpone the License Closing to the extent any such signal transmission is caused by any action of Buyer. If the License Closing is postponed pursuant to this paragraph, the date of the License Closing shall be mutually agreed to by Seller and Buyer.

(2) If there is in effect on the date on which the First Closing or the License Closing, as the case may be, would otherwise occur pursuant to this Section 7.1 any Judgment that would prevent or make unlawful the First Closing or the License Closing, as applicable, on that date, the First Closing or the License Closing, as the case may be, shall be postponed until a date (but only within the effective period of the FCC Consent (as it may be extended pursuant to Section 5.1(c)), to be agreed upon by Buyer and Seller, which such Judgment no longer prevents or makes unlawful the First Closing or the License Closing, as the case may be. If the First Closing or the License Closing, as the case may be, is postponed pursuant to this paragraph, the date of the First Closing or the License Closing, as the case may be, shall be mutually agreed to by the Seller and Buyer.

(d) Closing Place. Each of the First Closing and the License Closing shall be held at the offices of Buyer's counsel in Baltimore, MD, or such other place that is mutually agreed upon by Buyer and Seller.

7.2 Deliveries by Seller at First Closing. At the First Closing, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel:

(a) Officer's Certificate. A certificate, dated as of the First Closing Date, executed on behalf of Seller by an officer of Seller, certifying: (i) that the representations and warranties of Seller contained in this Agreement are true and complete in all material respects as of the First Closing Date as though made on and as of that date (except for representations and warranties that speak as of a specific date or time, which need only be true and complete as of such date or time), and (ii) that Seller has performed and complied in all material respects with all of its covenants and agreements in this Agreement to be performed and complied with on or prior to the First Closing Date;

(b) Secretary's Certificate. A certificate, dated as of the First Closing Date, executed by Seller's Managing Member: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Seller's members authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing as attachments thereto, the Articles

of Organization and Operating Agreement and Bylaws of Seller, and evidence reasonable satisfactory to Buyer as to the good standing or qualification of Seller issued by the appropriate Governmental Authorities in the state of incorporation and each jurisdiction in which such Seller is qualified to do business to be dated a date not more than a reasonable number of days prior to the First Closing Date;

(c) Consents. Originals and if applicable, execution copies, of the instruments evidencing the Consents that have been received by Seller;

(d) Conveyancing Documents. Duly executed general warranty deed, bills of sale, motor vehicle titles, assignments and other transfer documents that are sufficient to vest good and marketable title to the Assets, other than the License Assets and the Excluded Assets, in the name of Buyer, free and clear of all Liens, except for Permitted Encumbrances, together with any release documents necessary to remove any Liens on any of the Assets;

(e) Balance Sheet. A balance sheet for the Station, prepared in accordance with generally accepted accounting procedures as of the Effective Time

(f) Outsourcing Agreement, Lease and News Share Agreement. The Outsourcing Agreement, the Lease and a News Share Agreement in substantially the form attached hereto as Schedule 7.2(f) (the "News Share Agreement"), each duly executed by Seller; and

(g) Opinion of Counsel. Opinion of Seller's counsel dated as of the First Closing Date, substantially in the form of Schedule 7.2(g) hereto.

(h) Title Report. Preliminary report on title covering a date no more than 5 days prior to the First Closing Date, issued by a title company reasonably acceptable to Buyer, which preliminary reports shall contain commitments (the "**Title Commitments**") of such title company to issue an ALTA title insurance policy or policies insuring that Buyer shall receive good and marketable fee simple title, as the case may be, to the owned Real Property Interests subject only to Permitted Liens and the standard pre-printed exceptions contained in such policy and as otherwise provided for in this Agreement (the "**Title Policy**"), together with a title affidavit executed by Seller that shall be in form and substance reasonably satisfactory to Buyer and the title company.

(i) Survey. A survey of the owned parcels of Real Property Interests as of a date no more than 5 days prior to the First Closing Date.

(j) Real Estate Documents. Duly executed Declaration of Value and General Water Hazard Statement, in form and substance reasonably satisfactory to Buyer, with respect to the owned Real Property Interests.

7.3 Deliveries by Buyer at First Closing. At the First Closing, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and their counsel:

(a) Estimated Asset Price. The Estimated Asset Price, in accordance with the provisions of Section 2.4(a) hereof;

(b) Officer's Certificate. A certificate, dated as of the First Closing Date, executed on behalf of Buyer by an officer of Buyer, certifying (i) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the First Closing Date as though made on and as of that date (except for representations and warranties that speak as of a specific date or time, which need only be true and complete as of such date or time), and (ii) that Buyer has in all material respects performed and complied with all of its covenants and agreements in this Agreement to be performed and complied with on or prior to the First Closing Date;

(c) Secretary's Certificate. A certificate, dated as of the First Closing Date, executed by Buyer's Secretary: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Buyer's Board of Directors, authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing, as an attachment thereto, Buyer's Certificate of Incorporation and Bylaws, and certificates as to the good standing or qualification of Buyer issued by the appropriate Governmental Authorities in the States of Maryland, each such certificate (if available) to be dated a date not more than a reasonable number of days prior to the First Closing Date;

(d) Assumption Agreements. Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations, to the extent provided in Section 2.5, under the Authorizations (other than the Licenses) and the Assumed Contracts;

(e) Outsourcing Agreement, Lease and News Share Agreement. The Outsourcing Agreement, Lease. The JSA and Lease and News Share Agreement, each duly executed by Buyer; and

7.4 Deliveries by Seller at License Closing. Prior to or on the License Closing Date, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel:

(a) Officer's Certificate. A certificate, dated as of the License Closing Date, executed on behalf of Seller by an officer of Seller, certifying: (i) that the representations and warranties of Seller contained in this Agreement that relate specifically to the License Assets or to the period between the date hereof and the License Closing are true and complete in all material respects as of the License Closing Date as though made on and as of that date (except for representations and warranties that speak as of a specific date or time, which need only be true and complete as of such date or time), and (ii) that Seller has performed and complied in all material respects with all of its obligations, covenants, and agreements in this Agreement to be performed and complied with on or prior to the License Closing Date;

(b) Secretary's Certificate. A certificate, dated as of the License Closing Date, executed by Seller's Manager: (i) certifying that the resolutions, as attached to such certificate or provided at the First Closing, were duly adopted by Seller's members authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing as attachments thereto, the Articles of Organization and Operating Agreement of Seller (or a certification that such

organizational documents remain unchanged from those delivered at the First Closing), and evidence reasonably satisfactory to Buyer as to the good standing or qualification of Seller in the state of incorporation and each jurisdiction in which Seller is qualified to do business, to be dated a date not more than a reasonable number of days prior to the License Closing Date;

(c) FCC Consent. Appropriate evidence of receipt of the FCC Consent;

(d) Consents. Originals and if applicable, execution copies, of the instruments evidencing the Consents relating to Programming Contracts that have been received by Seller;

(e) Conveyancing Documents. Duly executed bills of sale, assignments and other transfer documents that are sufficient to vest good and marketable title to the Transmitter Equipment and the other License Assets in the name of Buyer, free and clear of all Liens, except for Permitted Encumbrances; and

(f) Opinions of Counsel. Opinions of Seller's counsel and communications counsel dated as of the License Closing Date, substantially in the form of Schedule 7.4(f) hereto.

7.5 Deliveries by Buyer at License Closing. Prior to or on the License Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and its counsel:

(a) License Price. The License Price, in accordance with the provisions of Section 2.4(b) hereof;

(b) Officer's Certificate. A certificate, dated as of the License Closing Date, executed on behalf of Buyer by an officer of Buyer, certifying (i) that the representations and warranties of Buyer contained in this Agreement relating specifically to the License Closing are true and complete in all material respects as of the License Closing Date as though made on and as of that date (except for representations and warranties that speak as of a specific date or time, which need only be true and complete as of such date or time), and (ii) that Buyer has in all material respects performed and complied with all of its covenants and agreements in this Agreement specifically related to the License Assets to be performed and complied with on or prior to the License Closing Date;

(c) Secretary's Certificate. A certificate, dated as of the License Closing Date, executed by Buyer's Secretary; (i) certifying that the resolutions, as attached to such certificate or provided at the First Closing, were duly adopted by Buyer's Board of Directors, authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing, as an attachment thereto, Buyer's Certificate of Incorporation and Bylaws (or a certification that such organizational documents remain unchanged from those delivered at the First Closing), and certificates as to the good standing or qualification of Buyer issued by the appropriate Governmental Authorities in the States of Maryland, each such certificate (if available) to be dated a date not more than a reasonable number of days prior to the License Closing Date;

(d) Assumption Agreements. Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations under the Licenses and the Programming Contract being assumed by Buyer.

SECTION 8: TERMINATION

8.1 Termination by Seller. This Agreement may be terminated by Seller and the purchase and sale of the Station abandoned if Seller is not then in material default hereunder upon written notice to Buyer upon the occurrence of any of the following:

(a) Conditions. If on the date that would otherwise be the First Closing Date, any of the conditions precedent to the obligations of Seller at the First Closing set forth in this Agreement has not been waived in writing by Seller.

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

(c) Failure to Consummate the First Closing. If the First Closing shall not have occurred on or prior to the six (6) month anniversary of the date of this Agreement.

(d) Failure to Consummate the License Closing. If the License Closing shall not have occurred on or prior to the [REDACTED] anniversary of the date of this Agreement.

8.2 Termination by Buyer. This Agreement may be terminated by Buyer and the purchase and sale of the Station abandoned if Buyer is not then in material default with respect to its obligations hereunder upon written notice to Seller upon the occurrence of any of the following:

(a) Conditions. If on the date that would otherwise be the First Closing Date, any of the conditions precedent to the obligations of Buyer at the First Closing set forth in this Agreement has not been waived in writing by Buyer.

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

(c) Failure to Consummate the First Closing. If the First Closing shall not have occurred on or prior to the six (6) month anniversary of the date of this Agreement.

(d) Failure to Consummate the License Closing. If the License Closing shall not have occurred on or prior to the [REDACTED] anniversary of the date of this Agreement.

8.3 Rights on Termination. If this Agreement is terminated by Buyer in accordance with the provisions of Section 8.2 above due to Seller's material breach of any of the provisions of this Agreement, Buyer shall have all rights and remedies available at law or equity, including the remedy of specific performance described in Section 8.4 below. If this Agreement is terminated by Seller in accordance with the provisions of Section 8.1 above prior to the First

Closing due to Buyer's material breach of any provision of this Agreement, Seller shall have all rights and remedies available at law or equity.

8.4 Specific Performance. The parties recognize that if Seller breaches this Agreement and refuse to perform under any or all of the provisions of this Agreement, monetary damages alone would not be adequate to compensate Buyer for its injury. Buyer shall therefore be entitled, in addition to any other remedies that may be available, to obtain specific performance of each of the terms of this Agreement. If any action is brought by Buyer to enforce this Agreement, Seller shall waive the defense that there is an adequate remedy at law.

8.5 Attorneys' Fees. In the event of a default by either party that results in a lawsuit or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses (whether incurred in arbitration, at trial, or on appeal).

SECTION 9: INDEMNIFICATION

9.1 Survival. Without prejudice to representations and warranties in other agreements delivered hereunder, all representations and warranties of Buyer and Seller herein shall be deemed continuing representations and warranties and shall survive the First Closing and shall remain in full force and effect for a period ending on the first anniversary of the First Closing Date (or until the final resolution of any claim or dispute which is asserted in reasonably detailed writing prior to the expiration of such period); provided, references in this sentence to the First Closing Date shall be deemed to be references to the License Closing Date with respect to representation and warranties contained in Sections 3.3, 3.4, 3.7, 3.8, 3.9, 3.13, 3.15, 3.17, 3.18, 3.19, 3.21 and 3.22 to the extent that such representations and warranties relate to the License Assets); and provided, further, that the representations and warranties in Section 3.2 (with respect to due authorization), Section 3.9, Section 3.11 and Section 3.16 shall survive the First Closing for the duration of the applicable statute of limitations. Any investigations by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty or covenant contained in this Agreement. No notice or information delivered by either party shall affect the other party's right to rely on any representation, warranty or covenant made by such party or relieve such party of any obligations under this Agreement as the result of a breach of any of its representations and warranties. Notwithstanding anything herein to the contrary, the covenants of the parties contained herein shall survive the First Closing and shall not terminate prior to the termination of this Agreement.

9.2 Indemnification by Seller. After the First Closing, subject to Sections 9.1 and 9.5, Seller hereby agree to indemnify and hold Buyer harmless against and with respect to and shall reimburse Buyer for:

(a) any and all losses, liabilities, costs, expenses, claims, or damages resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant by Seller contained in this Agreement or in any certificate, document, or instrument delivered to Buyer under this Agreement;

(b) any and all obligations of Seller not assumed by Buyer pursuant to this Agreement, including any liabilities arising at any time under any Contract not included in the Assumed Contracts;

(c) any loss, liability, obligation or cost resulting from the failure of the parties to comply with the provisions of any bulk sales law applicable to the transfer of the Assets;

(d) any and all losses, liabilities or damages resulting from the operation or ownership of the Station prior to the First Closing, including any liabilities arising under the Assumed Contracts from events occurring prior to the First Closing Date, or from the Excluded Assets;

(e) any and all losses, liabilities or damages arising from events occurring prior to the License Closing Date relating to the FCC Licenses, subject to the terms and conditions of the Outsourcing Agreement; and

(f) any and all out-of-pocket costs and expenses, including reasonable legal fees and expenses, incident to any Action or Judgment incident to the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof or in enforcing this indemnity.

9.3 Indemnification by Buyer. After the First Closing, but subject to Sections 9.1 and 9.5, Buyer hereby agrees to indemnify and hold Seller harmless against and with respect to, and shall reimburse Seller for:

(a) any and all losses, liabilities, costs, expenses, claims, or damages resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant by Buyer contained in this Agreement or in any certificate, document, or instrument delivered to Seller under this Agreement;

(b) any and all obligations of Seller assumed by Buyer pursuant to this Agreement;

(c) any and all losses, liabilities or damages resulting from the operation or ownership of the Station after the First Closing (excluding with respect to the FCC Licenses prior to the License Closing, subject to the terms and conditions of the Outsourcing Agreement);

(d) any and all losses, liabilities or damages arising from events occurring after the License Closing Date relating to the FCC Licenses, subject to any terms of the Outsourcing Agreement that continue to survive after the License Closing Date; and

(e) any and all out-of-pocket costs and expenses, including reasonable legal fees and expenses, incident to any Action or Judgment incident to the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof or in enforcing this indemnity.

9.4 Procedures for Indemnification. The procedure for indemnification shall be as follows:

(a) The party claiming indemnification (the "Claimant") shall promptly give notice to the party from which indemnification is claimed (the "Indemnifying Party") of any claim, whether between the parties or brought by a third party, specifying in reasonable detail the factual basis for the claim. If the claim relates to an action, suit, or proceeding filed by a third party against Claimant, such notice shall be given by Claimant within five (5) Business Days after written notice of such action, suit, or proceeding was given to Claimant.

(b) With respect to claims solely between the parties, following receipt of notice from the Claimant of a claim, the Indemnifying Party shall have thirty (30) days to make such investigation of the claim as the Indemnifying Party deems necessary or desirable. For the purposes of such investigation, the Claimant agrees to make available to the Indemnifying Party and its authorized representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of the thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Claimant the full amount of the claim. If the Claimant and the Indemnifying Party do not agree within the thirty (30) day period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate remedy at law or equity.

(c) With respect to any claim by a third party as to which the Claimant is entitled to indemnification under this Agreement, the Indemnifying Party shall have the right at its own expense to participate in or assume control of the defense of such claim, and the Claimant shall cooperate fully with the Indemnifying Party subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnifying Party, provided, however, that the Indemnifying Party may not assume control of the defense unless it affirms in writing its obligation to indemnify Claimant for any damages incurred by Claimant with respect to such third-party claim. If the Indemnifying Party elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of such claim at its own expense. So long as the Indemnifying Party is defending in good faith any third-party claim, the Claimant shall not settle or compromise such claim. If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any third-party claim, it shall be bound by the results obtained in good faith by the Claimant with respect to such claim.

(d) If a claim, whether between the parties or by a third party, requires immediate action, the parties will make every effort to reach a decision with respect thereto as expeditiously as possible.

(e) The indemnification rights provided in Section 9.2 and Section 9.3 shall extend to the members, partners, shareholders, officers, directors, employees, representatives, and affiliated entities of any Claimant; although for the purpose of the procedures set forth in this Section 9.4, any indemnification claims by such parties shall be made by and through the Claimant.

9.5 Certain Limitations.

(a) Notwithstanding anything in this Agreement to the contrary, neither Buyer nor Seller shall be liable to the other in respect to any indemnification hereunder except to the extent that the aggregate amount of losses of such party as Claimant exceeds [REDACTED] (the "Threshold Amount"), provided, once the Threshold Amount is satisfied, all losses (including those below the Threshold Amount may be recovered; provided further, the foregoing shall not be applicable to any amounts owed in connection with the proration adjustment to the Asset Price, any liabilities not actually assumed by the Claimant or the payment of the License Price, the failure of Seller to comply with its obligations with respect to the filing of the FCC Application, the obligation to consummate the License Closing, or to liabilities arising from fraud, the Excluded Assets or any bulk sales law applicable to the transfer of the Assets..

(b) Subsequent to and conditioned upon the occurrence of the License Closing, in no event shall either Buyer or Seller, as Claimant, as the case may be, have any right to indemnity exceeding, in the aggregate, the amount of [REDACTED]

(c) Notwithstanding any other provision of this Agreement to the contrary, in no event shall a party be entitled to indemnification for such party's incidental, consequential, or punitive damages, regardless of the theory of recovery. Each party hereto agrees to use commercially reasonable efforts to mitigate any losses which provide the basis for any claim for indemnification hereunder.

SECTION 10: MISCELLANEOUS

10.1 Fees and Expenses.

(a) Seller shall pay any filing fees (except as provided in subsection (b)), transfer taxes, document stamps, recording costs or other charges levied by any Governmental Authority on account of the transfer of the Assets from Seller to Buyer.

(b) Buyer and Seller shall each pay one-half (1/2) of any fees charged by the FCC in connection with the filing of the FCC Application.

(c) Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution and performance of this Agreement, including all fees and expenses of counsel, accountants, agents and representatives, and each party shall be responsible for all fees or commissions payable to any finder, broker, advisor, or similar person retained by or on behalf of such party.

10.2 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing; (ii) sent by electronic mail (with a "read receipt" or other confirmation of delivery), delivered by personal delivery, or sent by commercial delivery service or certified mail, return-receipt requested; (iii) deemed to have been given on the date of the email with read receipt or other written confirmation, the date of

personal delivery, or the date set forth in the records of the delivery service or on the return-receipt; and (iv) addressed as follows:

If to Buyer: Sinclair Acquisition IV, Inc.
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Attention: President
Email: DaveSmith@SBGnet.com

with a copy (which shall not constitute notice) to: Sinclair Broadcast Group, Inc.
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Attention: General Counsel
Email: BFaber@SBGnet.com

If to Seller Second Generation of Iowa, Ltd.
3029 Prospect Avenue
Cleveland, Ohio 44115
Attention: Thomas J. Embrescia
Email: tje@secondgen.net

with a copy (which shall not constitute notice) to: David Tillotson, Esq.
4606 Charleston Terrace, NW
Washington, DC 20007
Email: dtlaw@starpower.net

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 10.2.

10.3 Assignment; Benefit and Binding Effect. No party hereto may assign this Agreement without the prior written consent of the other party hereto; provided, such consent shall not be required in the event Buyer desires to assign its rights hereunder to a wholly-owned direct or indirect subsidiary of Sinclair Broadcast Group, Inc., or solely with respect to the acquisition of the License Assets, to any other Person (and the parties agree and acknowledge that Buyer currently intends to assign the right to acquire the Licenses to KFXA Licensee, LLC, a Nevada limited liability company); provided further, Buyer may, without the consent of Seller, collaterally assign its rights hereunder to its lenders; and provided finally, no such assignment to any subsidiary, other Person or lender shall relieve Buyer of liability with respect to any its obligations hereunder. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

10.4 Further Assurances. On and after the First Closing Date, the parties shall take all appropriate and commercially reasonable actions and execute any other documents that may be reasonably necessary or advisable to the implementation and consummation of this Agreement.

10.5 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED, AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF DELAWARE (WITHOUT REGARD OF THE CHOICE OF LAW PROVISIONS THEREOF).

10.6 Entire Agreement. This Agreement, the Schedules hereto, and all documents, certificates, and other documents to be delivered by the parties pursuant hereto collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter of this Agreement. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented, or changed except by an agreement in writing that makes specific reference to this Agreement and that is signed by the party against which enforcement of any such amendment, supplement, or modification is sought.

10.7 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 of 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 compliance as set forth in this Section 10.7.

10.8 Severability. In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument and this Agreement shall be construed in a manner that, as nearly as possible, reflects the original intent of the parties, and if necessary to achieve the original intent of the parties, the parties shall negotiate in good faith the terms of an amendment to this Agreement that enables the parties to effect their original intent as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

10.9 Counterparts. This Agreement may be signed in counterparts with the same effect as if the signature on each counterpart were upon the same instrument.

ARTICLE ELEVEN

11. **ENFORCEMENT OF REMEDIES; DISPUTES.** Except for the right of Buyer to seek specific performance of this Agreement which shall be pursued in an appropriate court and the right of either party to enforce the provisions of or any determination made pursuant to

this section, the parties agree to resolve any disputes arising out of or in connection with this Agreement, other than disputes over prorations which are to be resolved in the manner specified in Section 2.3(b)(3) hereof, as provided in this section.

11.1. Appointment of Dispute Panel. If any dispute is not resolved in the time permitted by this Agreement or, if no time is specified, within fifteen (15) days of the date either party gives the other notice that it intends to invoke the provisions of this section, each party will immediately name one arbitrator who shall be a person with one of the following qualifications (a) substantial experience in television ownership or management, (b) an accountant or communications attorney with substantial experience in television broadcasting, or (c) a television broadcasting consultant, and, within five (5) days of their appointment, the two arbitrators so selected shall select a third arbitrator with similar qualifications (the "Dispute Panel"). In the event one party names an arbitrator within the time period specified herein and the other party fails to do so, the Dispute Panel shall be comprised of the sole arbitrator who was timely named who shall have the full power and authority to resolve the dispute pursuant to the provisions of this Article 11.

11.2. Decision Process. Each party may submit such materials as it may elect to the Dispute Panel provided that a copy of such material is delivered by hand or overnight courier to the other party. Neither party will contact any member of the Dispute Panel to discuss the dispute unless the other party is present in person or by conference telephone call or the other party consents. The Dispute Panel will request and review such information as its members deem necessary to resolve the dispute. The Dispute Panel and each party will treat all information received by it as confidential and will destroy such information when the dispute is resolved. The Dispute Panel will resolve the matters presented to it so as to give each Party the benefit of its bargain by applying the provisions of this Agreement. The Dispute Panel will render its decision as soon as possible, but in any event, within sixty (60) days of the appointment of the third expert. The decision will be in writing and signed by each member of the Dispute Panel. The decision may include an award of damages as permitted by this Agreement. Any third party may rely upon an original copy of the written decision or a copy of the decision certified by any member of the Dispute Panel as evidence of the decision.

11.3. Venue. The parties agree that Washington, D.C., shall be the appropriate venue for any hearings or other proceedings requiring personal appearances of the parties before the Dispute Panel and expressly waive any objection to such venue on the grounds of *forum non conveniens*.

11.4. Binding Effect. The decision of a majority of the members of the Dispute Panel will be binding and final with respect to both parties and may be enforced by seeking preliminary and permanent injunctive relief or entry of a judgment by a court of competent jurisdiction.

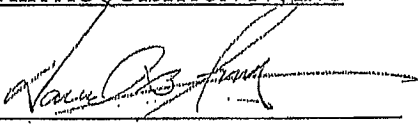
11.5. Costs and Fees. Each party will bear the costs and fees of the expert appointed by it plus half of the costs and expenses of the third expert. If the Dispute Panel determines by majority decision that the position of a party lacks substantial merit or was taken primarily to delay or otherwise impair the business efforts of the other party, then that party will

pay the costs and fees of all the members of the Dispute Panel plus the other party's reasonable attorney's fees.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.

BUYER:

SINCLAIR ACQUISITION IV, INC

By:  _____

Name: David B. Amy

Title: Secretary

SELLER:

SECOND GENERATION OF IOWA,
LTD.

By: _____

Name: _____

Title: _____

pay the costs and fees of all the members of the Dispute Panel plus the other party's reasonable attorney's fees.

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized officers of Buyer and Seller as of the date first written above.


BUYER:

SINCLAIR ACQUISITION IV, INC

By: _____
Name: _____
Title: _____

SELLER:

SECOND GENERATION OF IOWA,
LTD.

By:  _____
Name: James J. Edwards
Title: Chairman & Managing Director