

SECURITIES AND EXCHANGE COMMISSION

FORM 10-Q

Quarterly report pursuant to sections 13 or 15(d)

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LIN TELEVISION CORP

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Type: 10-Q | Act: 34 | File No.: 000-25206 | Film No.: 05809152
SIC: 4833 Television broadcasting stations

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Type: 10-Q | Act: 34 | File No.: 001-31311 | Film No.: 05809153
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UNITED STATES OF AMERICA
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-Q

Quarterly Report pursuant to Section 13 OR 15 (d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2005

Commission file number: 001-31311

Commission file number: 000-25206

LIN TV Corp.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

05-0501252

(I.R.S. Employer Identification No.)

LIN Television Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

13-3581627

(I.R.S. Employer Identification No.)

Four Richmond Square, Suite 200, Providence, Rhode Island 02906

(Address of principal executive offices)

(401) 454-2880

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes No

This combined Form 10-Q is separately filed by (i) LIN TV Corp. and (ii) LIN Television Corporation. LIN Television Corporation meets the conditions set forth in general instruction H(1) (a) and (b) of Form 10-Q and is, therefore, filing this form with the reduced disclosure format permitted by such instruction.

LIN TV Corp. Class A common stock, \$0.01 par value, issued and outstanding at May 2, 2005: 27,203,840 shares .

LIN TV Corp. Class B common stock, \$0.01 par value, issued and outstanding at May 2, 2005: 23,502,059 shares.

LIN TV Corp. Class C common stock, \$0.01 par value, issued and outstanding at May 2, 2005: 2 shares.

LIN Television Corporation common stock, \$0.01 par value, issued and outstanding at May 1, 2005: 1,000 shares.

Table of Contents

Part I. Financial Information

Item 1. Financial Statements

LIN TV Corp.

[Condensed Consolidated Balance Sheets](#)

2

[Condensed Consolidated Statements of Operations](#)

3

[Condensed Consolidated Statements of Cash Flows](#)

4

[Notes to Condensed Consolidated Financial Statements](#)

5

(See separate index for financial statements of LIN Television Corporation)

28

[Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations](#)

15

[Item 3. Quantitative and Qualitative Disclosures about Market Risk](#)

24

[Item 4. Controls and Procedures](#)

24

Part II. Other Information

[Item 1. Legal Proceedings](#)

25

[Item 5. Other Information](#)

25

[Item 6. Exhibits](#)

25

[Signature Page](#)

27

[Exhibit 10.1 Exchange and Registration Rights Agreement](#)

[Exhibit 10.7 Amended and Restated 2002 Stock Plan](#)

[Exhibit 10.8 Amended and Restated 2002 Non-Employee Director Stock Plan](#)

[Exhibit 31.1 Certification of CEO Pursuant to Section 302](#)

[Exhibit 31.2 Certification of CFO Pursuant to Section 302](#)

[Exhibit 31.3 Certification of CEO Pursuant to Section 302](#)

[Exhibit 31.4 Certification of CFO Pursuant to Section 302](#)

[Exhibit 32.1 Certification of CEO Pursuant to Section 906](#)

[Exhibit 32.2 Certification of CFO Pursuant to Section 906](#)

PART I: FINANCIAL INFORMATION**Item 1. Financial Statements****LIN TV CORP.****CONDENSED CONSOLIDATED BALANCE SHEETS**

	March 31, 2005	December 31, 2004
	<u>(Unaudited)</u>	
	(In thousands, except share data)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,219	\$ 14,797
Accounts receivable, less allowance for doubtful accounts (2005 - \$1,131; 2004 - \$1,450)	61,227	70,639
Program rights	16,898	17,312
Other current assets	5,100	3,790
Total current assets	<u>86,444</u>	<u>106,538</u>
Property and equipment, net	200,416	197,565
Deferred financing costs	13,661	11,060
Equity investments	63,004	65,813
Program rights	12,556	12,165
Other assets	16,582	16,043
Goodwill	614,181	583,105
Broadcast licenses and other intangible assets, net	1,131,270	1,066,135
Total assets	<u>\$ 2,138,114</u>	<u>\$ 2,058,424</u>
LIABILITIES, PREFERRED STOCK AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 4,250	\$ 6,573
Accounts payable	5,684	7,774
Accrued interest expense	10,565	8,118
Accrued sales volume discount	1,384	6,462
Other accrued expenses	17,145	13,483
Program obligations	27,019	23,278
Total current liabilities	<u>66,047</u>	<u>65,688</u>
Long-term debt, excluding current portion	702,588	626,268
Deferred income taxes, net	428,690	445,695
Program obligations	20,569	12,008
Other liabilities	58,244	38,344
Total liabilities	<u>1,276,138</u>	<u>1,188,003</u>
Preferred stock of Banks Broadcasting, Inc., \$0.01 par value, 179,322 and 173,822 issued and outstanding at March 31, 2005 and December 31, 2004, respectively	14,797	14,458
Stockholders' equity:		
Class A common stock, \$0.01 par value, 100,000,000 shares authorized, 27,107,146 shares at March 31, 2005 and 26,946,183 shares at December 31, 2004, issued and outstanding	271	269
Class B common stock, \$0.01 par value, 50,000,000 shares authorized, 23,502,059 shares at March 31, 2005 and 23,508,119 shares at December 31, 2004, issued and outstanding; convertible into an equal number of Class A or Class C common stock	235	235
Class C common stock, \$0.01 par value, 50,000,000 shares authorized, 2 shares at March 31, 2005 and December 31, 2004, issued and outstanding; convertible into an equal number of Class A common stock	-	-
Additional paid-in capital	1,073,350	1,071,816

Accumulated deficit	(212,087)	(201,767)
Accumulated other comprehensive loss	(14,590)	(14,590)
Total stockholders' equity	<u>847,179</u>	<u>855,963</u>
Total liabilities, preferred stock and stockholders' equity	<u>\$ 2,138,114</u>	<u>\$ 2,058,424</u>

The accompanying notes are an integral part of the condensed consolidated financial statements.

LIN TV CORP.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(*unaudited*)

	Three Months Ended March 31,	
	2005	2004
	(In thousands, except per share information)	
Net revenues	\$ 78,439	\$ 79,844
Operating costs and expenses:		
Direct operating (excluding depreciation of \$7.8 million and \$7.5 million for the three months ended March 31, 2005 and 2004, respectively)	26,011	24,630
Selling, general and administrative	24,762	22,500
Amortization of program rights	5,855	5,724
Corporate	5,255	4,098
Depreciation and amortization of intangible assets	8,039	7,776
Total operating costs and expenses	<u>69,922</u>	<u>64,728</u>
Operating income	8,517	15,116
Other (income) expense:		
Interest expense, net	10,910	11,654
Share of income in equity investments	(246)	(167)
Minority interest in loss of Banks Broadcasting, Inc.	(212)	-
Loss (gain) on derivative instruments	501	(990)
Loss on early extinguishment of debt	12,309	2,937
Other, net	401	(119)
Total other expense, net	<u>23,663</u>	<u>13,315</u>
(Loss) income from continuing operations before (benefit from) provision for income taxes and cumulative effect of change in accounting principle	(15,146)	1,801
(Benefit from) provision for income taxes	<u>(4,826)</u>	<u>3,797</u>
Loss from continuing operations before cumulative effect of change in accounting principle	(10,320)	(1,996)
Discontinued operations:		
Income from discontinued operations, net of tax provision of \$206	-	(69)
Cumulative effect of change in accounting principle, net of a tax effect of \$0	-	(3,290)
Net (loss) income	<u>\$ (10,320)</u>	<u>\$ 1,363</u>
Basic and diluted (loss) income per common share:		
Loss from continuing operations before cumulative effect of change in accounting principle	\$ (0.20)	\$ (0.04)
Cumulative effect of change in accounting principle, net of tax	-	0.07
Net (loss) income	(0.20)	0.03
Weighted - average number of common shares outstanding used in calculating basic and diluted (loss) income per common share	50,512	50,194

The accompanying notes are an integral part of the condensed consolidated financial statements.

LIN TV CORP.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended March 31,	
	2005	2004
	<i>(in thousands)</i>	
OPERATING ACTIVITIES:		
Net (loss) income	\$ (10,320)	\$ 1,363
Adjustment to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	8,039	7,776
Amortization of financing costs and note discounts	1,769	2,033
Amortization of program rights	5,855	5,724
Program payments	(6,346)	(6,022)
Loss on early extinguishment of debt	12,309	2,937
Cumulative effect of change in accounting principle, net of tax impact	-	(3,290)
Loss (gain) on derivative instruments	501	(990)
Share of income in equity investments	(246)	(167)
Deferred income taxes, net	(5,197)	2,963
Other, net	1,613	(580)
Changes in operating assets and liabilities, net of acquisitions and disposals:		
Accounts receivable	9,627	11,834
Program rights, net of program obligations	639	92
Other assets	(1,849)	(347)
Accounts payable	(2,195)	(2,423)
Accrued interest expense	2,447	(406)
Accrued sales volume discount	(5,078)	(4,830)
Other accrued expenses	1,136	3,128
Net cash provided by operating activities	<u>12,704</u>	<u>18,795</u>
INVESTING ACTIVITIES:		
Capital expenditures	(1,544)	(1,740)
Investment in equity investments	-	(650)
Capital contribution from minority interest in Banks Broadcasting, Inc.	550	-
Distributions from equity investments	3,055	1,630
Acquisition of broadcast licenses	-	(4,224)
Payments for business combinations	(85,000)	-
Other, net	13	(270)
Net cash used in investing activities	<u>(82,926)</u>	<u>(5,254)</u>
FINANCING ACTIVITIES:		
Net proceeds on exercises of employee stock options and phantom stock units and employee stock purchase plan issuances	1,326	804
Proceeds from issuance of long-term debt	345,000	-
Long-term debt financing costs	(5,655)	(90)
Net proceeds from revolver debt	50,000	17,000
Principal payments on long-term debt	(324,940)	(26,265)
Cash expenses associated with early extinguishment of debt	(7,087)	(1,973)
Net cash provided by (used) in financing activities	<u>58,644</u>	<u>(10,524)</u>
Net (decrease) increase in cash and cash equivalents	(11,578)	3,017
Cash and cash equivalents at the beginning of the period	14,797	9,475
Cash and cash equivalents at the end of the period	<u>\$ 3,219</u>	<u>\$ 12,492</u>

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Basis of Presentation:

LIN TV Corp., together with its subsidiaries, including LIN Television Corporation (“LIN Television”) (together, the “Company”), is a television station group operator in the United States and Puerto Rico. LIN TV Corp. and its subsidiaries are affiliates of Hicks, Muse, Tate & Furst Incorporated (“Hicks Muse”).

LIN TV Corp. guarantees all debt of LIN Television. All of the consolidated wholly-owned subsidiaries of LIN Television fully and unconditionally guarantee all the Company’s debt on a joint and several basis.

Certain reclassifications have been made to the prior period financial statements to conform to the current period financial statement presentation.

These condensed consolidated financial statements have been prepared without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. The Company filed audited financial statements for the year ended December 31, 2004 in its Annual Report on Form 10-K, which includes all such information and disclosures.

In the opinion of management, the accompanying unaudited interim financial statements contain all adjustments necessary to summarize fairly the financial position, results of operations and cash flows of the Company for the periods presented. The interim results of operations are not necessarily indicative of the results to be expected for the full year.

The Company owns preferred stock that represents a 50% non-voting interest in Banks Broadcasting, Inc. (“Banks Broadcasting”), which owns and operates KWCV-TV, a WB affiliate in Wichita, Kansas and KNIN-TV, a UPN affiliate in Boise, Idaho. The Company consolidates the results of operations and financial condition of Banks Broadcasting in accordance with FIN 46R – “Consolidation of Variable Interest Entities (Revised December 2003) – an Interpretation of ARB No. 51.” All intercompany transactions have been eliminated in consolidation. The resulting consolidated balance sheet of the Company does not reflect any voting equity minority interest since Banks Broadcasting has incurred cumulative losses and as such the minority interest would be in a deficit position at March 31, 2005.

Hicks Muse has a substantial economic interest in 21st Century Group, LLC which owns 36% of the preferred stock on the Banks Broadcasting balance sheet.

The following presents the summarized balance sheet of Banks Broadcasting at March 31, 2004, the date of initial consolidation (in thousands):

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

Assets		Liabilities and Equity	
Cash	\$ 97	Accounts payable	\$396
Accounts receivable	899	Program obligations, short-term	793
Program rights, short-term	757	Other accrued expenses	404
Other current assets	46	Program obligations, long-term	525
Property and equipment	5,048	Deferred income taxes, net	4,805
Program rights, long-term	662	Preferred stock	<u>34,764</u>
Broadcast licenses	<u>29,238</u>		
Total assets	<u>\$ 36,747</u>	Total liabilities and equity	<u>41,687</u>
		Deficit	<u><u>\$(4,940)</u></u>

The deficit of \$4.9 million was allocated to the nonvoting preferred stock, and the Company's ownership of such preferred stock has been eliminated on consolidation.

The Company's preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reported periods. Estimates are used when accounting for the collectibility of accounts receivable, mark-to-market of derivative instruments, valuation of intangible assets, deferred tax assets and net assets of businesses acquired. Actual results could differ from these estimates.

Note 2 - Stock-Based Compensation:

The Company accounts for its stock-based employee compensation plans under the recognition and measurement principles of Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations.

The following table illustrates the effect on net (loss) income and net (loss) income per share if the Company had applied the fair value recognition provisions of Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," to stock-based employee compensation (in thousands, except for per share data):

	Three Months Ended March 31,	
	2005	2004
Net (loss) income, as reported	\$(10,320)	\$1,363
Add: Stock-based employee compensation expense, included in reported net (loss) income, net of related tax effect	670	124
Deduct: Total stock-based employee compensation expense determined under the fair value based method for all awards, net of related tax effect	(350)	(761)
Pro forma net (loss) income	<u>\$(10,000)</u>	<u>\$726</u>
Basic and diluted net (loss) income per common share, as reported	\$(0.20)	\$0.03
Basic and diluted net (loss) income per common share, pro forma	\$(0.20)	\$0.01

The fair value of each option is estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions during the three months ended March 31, 2004:

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

Volatility	24	%
Risk-free interest rates	2.0 - 4.4	%
Weighted average expected life	3 - 10	years
Dividend yields	0	%

There were no options granted during the three months ended March 31, 2005.

Note 3 – Acquisitions and Dispositions:

On March 31, 2005, the Company acquired the broadcast licenses and certain operating assets and liabilities of WNDY-TV, the UPN affiliate serving Indianapolis, Indiana and WWHO-TV, the UPN affiliate serving Columbus, Ohio from Viacom, Inc. for \$85.0 million and was funded by a combination of cash on hand and the revolving credit facility.

In addition to the \$17.8 million of program obligations recorded by the Company in connection with the acquisition of WNDY-TV and WWHO-TV, the Company recorded \$18.3 million in other liabilities related to estimated losses on future program obligations and above market program contracts. These future program obligations are unrecorded in accordance with SFAS No. 63 “Financial Reporting by Broadcasters.” The Company has also recorded \$2.7 million in connection with the acquisition of WNDY-TV and WWHO-TV relating to employee severance costs and certain contractual costs as a result of the Company’s plans to centralize the master control operations of WNDY-TV and WWHO-TV at the Company’s transmission facility in Indianapolis, Indiana; and transaction costs related to the acquisition of the two stations.

The following table summarizes the estimated fair value of the assets acquired and liabilities assumed at the date of acquisition. The Company is in the process of obtaining third-party valuations of the assets acquired; thus the allocation of the purchase price is preliminary (in thousands):

	<u>WNDY-TV</u>	<u>WWHO-TV</u>
Accounts receivable	\$437	\$87
Program rights, short-term	1,709	1,925
Property and equipment	4,902	4,589
Program rights, long-term	1,076	908
Broadcast licenses	36,600	28,800
Goodwill	20,282	10,794
Deferred tax assets	8,037	3,774
Total assets	<u>\$73,043</u>	<u>\$50,877</u>
Accounts payable	105	-
Other accrued expenses	1,671	1,069
Program obligations, short-term	4,375	2,327
Program obligations, long-term	7,029	4,068
Other long-term liabilities	12,363	5,913
Total liabilities	<u>\$25,543</u>	<u>\$13,377</u>
Purchase Price	<u>\$47,500</u>	<u>\$37,500</u>

The following table sets forth unaudited pro forma information of the Company as if the acquisition of WNDY-TV and WWHO-TV had occurred on January 1, 2004:

	<u>Three Months Ended</u> <u>March 31,</u>	
	<u>2005</u>	<u>2004</u>
Net revenues	\$83,095	\$84,866
Operating income	7,813	15,139
Net (loss) income	(10,903)	1,201
Basic and diluted net (loss) income per common share	\$(0.22)	\$0.02

On May 14, 2004, the Company completed the sale of WEYI-TV, the NBC affiliate serving Flint, Michigan, for \$24.0 million. The operating results of this station for the three-month period ended March 31, 2004 have

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

been excluded from continuing operations and included in discontinued operations under the provisions of SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." During the three month period ended March 31, 2004, the Company recorded income from discontinued operations of \$69,000, net of a tax provision of \$206,000.

The following table summarizes the net revenues and pre-tax income for WEYI-TV included in the historical results:

	Three Months Ended March 31, 2004
Net revenues	\$ 2,027
Operating income	675
Net income	621

On January 14, 2004, the Company purchased the broadcast license and certain assets of WIRS-TV in Yauco, Puerto Rico from Marantha Christian Network for \$4.5 million and was funded by borrowings from the Company's former revolving credit facility.

Note 4 – Investments:

The Company has investments in two ventures with third parties, through which it has an interest in television stations. The following presents the Company's basis in these ventures (in thousands) :

	March 31, 2005	December 31, 2004
NBC joint venture	\$52,845	\$ 55,604
WAND (TV) Partnership	10,159	10,209
	<u>\$63,004</u>	<u>\$ 65,813</u>

Joint Venture with NBC: The Company owns a 20.38% interest in a joint venture with NBC and accounts for its interest using the equity method, as the Company does not have a controlling interest. The Company received distributions of \$3.1 million and \$1.6 million from the joint venture in the three months ended March 31, 2005 and 2004, respectively.

The following presents the summarized financial information of the joint venture (in thousands):

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

	Three Months Ended March 31,	
	2005	2004
Revenue	\$18,306	\$18,441
Other expense	(16,854)	(15,948)
Net income	1,452	2,493

	March 31, 2005	December 31, 2004
	Current assets	\$12,359
Non-current assets	230,296	233,957
Current liabilities	1,269	724
Non-current liabilities	815,500	815,500

WAND (TV) Partnership: The Company has a 33.33% interest in a partnership, WAND (TV) Partnership, with Block Communications. The Company accounts for its interest using the equity method, as the Company does not have a controlling interest. The Company has also entered into a management services agreement with WAND (TV) Partnership to provide specified management, engineering and related services for a fixed fee. Included in this agreement is a cash management arrangement under which the Company incurs expenditures on behalf of WAND (TV) Partnership and is periodically reimbursed. Amounts due to the Company under this arrangement were \$206,000 and \$478,000 as of March 31, 2005 and December 31, 2004, respectively.

The following presents the summarized financial information of the WAND (TV) Partnership (in thousands):

	March 31,	
	2005	2004
Net revenues	\$1,509	\$1,633
Operating loss	112	(50)
Net loss	(149)	(49)

	March 31, 2005	December 31, 2004
	Current assets	\$3,136
Non-current assets	24,058	24,283
Current liabilities	686	917
Non-current liabilities	5	32

Note 5 – Intangible Assets:

The following table summarizes the carrying amount of each major class of intangible assets (in thousands):

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

	March 31, 2005	December 31, 2004
Amortized Intangible Assets:		
LMA purchase options	\$3,300	\$ 3,300
Network affiliations	173	173
Income leases	393	393
Other intangible assets	1,780	1,780
Accumulated amortization	(3,041)	(2,776)
	<u>2,605</u>	<u>2,870</u>
Unamortized Intangible Assets:		
Broadcast licenses	1,128,665	1,063,265
Total broadcast licenses and other intangible assets, net	\$1,131,270	\$ 1,066,135
Goodwill	614,181	583,105
Total intangible assets	<u>\$1,745,451</u>	<u>\$ 1,649,240</u>

The increase in broadcast licenses and goodwill in the three month period ending March 31, 2005 is due to the acquisition of WNDY-TV and WWHO-TV on March 31, 2005. The Company is in the process of obtaining third-party valuations of all acquired intangible assets, including broadcast licenses and goodwill; thus, the allocation of WNDY-TV and WWHO-TV is based on preliminary estimates.

The following table summarizes the aggregate amortization expense for all periods presented as well as the estimated amortization expense for the next five years (in thousands):

	Three Months Ended March 31,		Estimated amortization expense For the year ended December 31,				
	2004	2005	2005	2006	2007	2008	2009
Amortization expense	\$278	\$266	\$1,864	\$1,006	\$-	\$-	\$-

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

Note 6 -Debt:

Debt consisted of the following (in thousands):

	March 31, 2005	December 31, 2004
Credit Facility	\$220,000	\$ 158,500
\$166,440, 8% Senior Notes due 2008 (net of discount of \$2,884 at December 31, 2004)	-	163,556
\$375,000 and \$200,000, 6 1/2% Senior Subordinated Notes due 2013 at March 31, 2005 and December 31, 2004, respectively	375,000	200,000
\$125,000, 2.50% Exchangeable Senior Subordinated Debentures due 2033 (net of discount of \$13,162 and \$14,215 at March 31, 2005 and December 31, 2004, respectively)	111,838	110,785
Total debt	706,838	632,841
Less current portion	4,250	6,573
Total long-term debt	<u>\$702,588</u>	<u>\$ 626,268</u>

On January 28, 2005, the Company issued an additional \$175.0 million aggregate principal amount of its 6 1/2% Senior Subordinated Notes due 2013. The proceeds from the issuance of the 6 1/2% Notes were used to repurchase \$166.4 million principal amount of the 8% Senior Notes due 2008.

The Company consummated a new credit facility on March 11, 2005 that included a \$170.0 million term loan with a maturity date of March 11, 2011 and a \$160.0 million revolving credit facility with a maturity date of March 31, 2010. The proceeds of the term loan were used to repay the balance on the existing term loan. The Company used \$50.0 million of the revolving credit facility and existing cash on hand to acquire WNDY-TV and WWHO-TV.

The Company incurred charges of \$12.3 million during the period ended March 31, 2005 related to the write-off of unamortized discounts, deferred financing fees and associated costs as a result of the early extinguishment of debt. Financing fees related to the 6 1/2% Notes and the credit facility of \$5.7 million were capitalized and are being amortized over the term of the related debt.

The current portion of long-term debt includes \$4.3 million of quarterly amortization of a term loan under the credit facility beginning in March of 2006.

Note 7 – Related Party Transactions:

Financial Advisory Agreement. The Company is party to an agreement with Hicks Muse Partners, pursuant to which the Company reimburses Hicks Muse Partners, an affiliate of Hicks Muse, for certain expenses incurred by it in connection with rendering services relating to acquisitions, sales, mergers, exchange offers, recapitalization, restructuring or similar transactions allocable to the Company. The Company incurred fees under this arrangement of \$8,000 for the three months ended March 31, 2005. The Company did not incur any fees for the three months ended March 31, 2004.

Centennial Cable of Puerto Rico The Company is party to an agreement with Centennial Cable of Puerto Rico, which Hicks Muse has a substantial economic interest, in which Centennial provides the Company advertising and promotional services. The Company incurred fees under this arrangement of \$29,000 and \$20,000 for the three months ended March 31, 2005 and 2004, respectively.

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

Banks Broadcasting Inc. The Company has entered into a management services agreement with Banks Broadcasting to provide specified management, engineering and related services for a fixed fee. Hicks Muse has substantial economic interest in 21st Century Group, LLC which owns 18% of Banks Broadcasting. Prior to the consolidation of Banks Broadcasting in accordance with FIN 46R, the Company received approximately \$50,000 for the three months ended March 31, 2004 under the management services agreement.

Note 8 – Contingencies:

GECC Note. General Electric Capital Corporation (“GECC”) provided debt financing in connection with the formation of the joint venture with NBC in the form of an \$815.5 million 25-year non-amortizing senior secured note bearing an initial interest rate of 8.0% per annum (“the GECC note”). During the last five years, the joint venture has produced cash flows to support the interest payments and to maintain minimum levels of required working capital reserves. In addition, the joint venture has made cash distributions to the Company and to NBC from the excess cash generated by the joint venture of approximately \$34.5 million on average each year during the past three years. Accordingly, the Company expects that the interest payments on the GECC note will be serviced solely by the cash flow of the joint venture. The GECC note is not an obligation of the Company, however, the note is recourse to the joint venture with NBC and is guaranteed by LIN TV Corp. If the joint venture were unable to pay principal or interest on the GECC note and GECC could not otherwise recoup its principal from the joint venture, GECC could require LIN TV Corp. to pay the shortfall of any outstanding amounts under the GECC note. If this happened, the Company could experience material adverse consequences, including:

GECC could force LIN TV Corp. to sell the stock of LIN Television held by LIN TV Corp. to satisfy outstanding amounts under the GECC note;

if more than 50% of the ownership of LIN Television had to be sold to satisfy the GECC Note, it could cause an acceleration of the Company’s credit facility and notes; and

if the GECC note is prepaid because of an acceleration on default or otherwise, or if the note is repaid at maturity, the Company may incur a substantial tax liability.

The joint venture is approximately 80% owned by NBC, and NBC controls the operations of the stations through a management contract. Therefore, the operation and profitability of those stations and the likelihood of a default under the GECC note are primarily within NBC’s control.

Note 9 – Retirement Plans:

The Company has a number of noncontributory defined benefit retirement plans covering certain of its employees in the United States and Puerto Rico. Contributions are based on periodic actuarial valuations and are charged to operations on a systematic basis over the expected average remaining service lives of current employees. The net pension expense is assessed in accordance with the advice of professionally qualified actuaries. The benefits under the defined benefit plans are based on years of service and compensation.

The components of the net periodic benefit cost recognized are as follows (in thousands):

LIN TV CORP.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

	Three Months Ended March 31,	
	2005	2004
Service cost	\$549	\$500
Interest cost	1,350	1,401
Expected return on plan assets	(1,435)	(1,450)
Amortization of prior service cost	30	39
Amortization of net loss	241	80
Net periodic benefit cost	<u>\$735</u>	<u>\$570</u>

The Company contributed \$200,000 to the plan during the three months ended March 31, 2005 and expects to contribute a total of \$3.0 million during 2005. The Company also has a non-qualified, unfunded Supplemental Excess Retirement Plan (“SERP”) of which the Company paid out to retired employees a total of \$66,000 during the three months ended March 31, 2005.

Note 10 – Earnings per Share:

Basic and diluted (loss) income per common share are computed in accordance with SFAS No. 128, “Earnings per Share.” Basic (loss) income per common share is computed by dividing net (loss) income by the weighted average number of shares of common stock outstanding. There is no difference between basic and diluted (loss) income per common share for all periods presented since potential common shares from the exercises of stock options and phantom units are anti-dilutive to loss from continuing operations and are, therefore, excluded from the calculation. Options to purchase 3,898,387 and 4,383,000 shares of common stock and phantom units exercisable into 296,000 and 485,000 shares of common stock were outstanding as of March 31, 2005 and 2004, respectively, but were not included in the calculation of diluted earnings per share because the effect of their inclusion would have been anti-dilutive.

Note 11 – Recent Accounting Pronouncements

In December 2004, the Financial Accounting Standards Board (FASB) issued SFAS No. 123R, *Share-Based Payment*, which was to be effective for reporting periods beginning after June 15, 2005. In April 2005, the FASB announced that the effective date of SFAS 123(R), has been delayed until the first quarter of 2006. SFAS No. 123R requires the Company to recognize the cost of employee services received in exchange for the Company’s equity instruments. Currently, in accordance with APB Opinion 25, the Company records the intrinsic value of stock based compensation as expense. Accordingly, no compensation expense is currently recognized for fixed stock option plans as the exercise price equals the stock price on the date of grant. Under SFAS No. 123R, the Company will be required to measure compensation expense over the vesting period of the options based on the fair value of the stock options at the date the options are granted. SFAS No. 123R allows for the use of the Black-Scholes or a lattice option-pricing model to value such options. As allowed by SFAS No. 123R, the Company can elect either Modified Prospective Application, which applies the Statement to new awards and modified awards after the effective date, and to any unvested awards as service is rendered on or after the effective date, or Modified Retrospective Application which can apply the effect of the statement to all prior years for which SFAS No. 123 was effective. The Company is currently evaluating which valuation model and method of application will be used.

In March 2005, the SEC staff issued a Staff Accounting Bulletin (“SAB 107”) which express views of the staff regarding the interaction between SFAS No. 123R and certain SEC rules and regulations and provide the staff’s views regarding the valuation of share-based payment arrangements for public companies. In particular, SAB 107 provides guidance related to share-based payment transactions with non-employees, the transition from nonpublic to public entity status, valuation methods (including assumptions such as expected volatility and expected term), the accounting for

LIN TV CORP.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

certain redeemable financial instruments issued under share-based payment arrangements, the classification of compensation expense, non-GAAP financial measures, first-time adoption of SFAS No. 123R in an interim period, capitalization of compensation cost related to share-based payment arrangements, the accounting for income tax effects of share-based payment arrangements upon adoption of SFAS No. 123R, the modification of employee share options prior to adoption of SFAS No. 123R and disclosures in Management's Discussion and Analysis subsequent to adoption of SFAS No. 123R.

In March 2005, the FASB issued FIN No. 47, "Accounting for Conditional Asset Retirement Obligations - an Interpretation of FASB Statement No. 143" ("FIN 47"), which is effective for all reporting periods ending after December 15, 2005. FIN 47 requires that an entity shall recognize a liability for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated, rather than when the obligation is incurred, generally upon acquisition, construction, or development and/or through the normal operation of the asset as required by SFAS No. 143. An asset retirement obligation would be reasonably estimable if (a) it is evident that the fair value of the obligation is embodied in the acquisition price of the asset, (b) an active market exists for the transfer of the obligation, or (c) sufficient information exists to apply an expected present value technique. The provisions of FIN 47 are not expected to have a material impact on the Company's consolidated financial statements.

Item 2. Management' s Discussion and Analysis of Financial Condition and Results of Operations

Special Note About Forward-Looking Statements

This Quarterly Report on Form 10-Q contains certain forward-looking statements with respect to our financial condition, results of operations and business, including statements under the captions "Management' s Discussion and Analysis of Financial Condition and Results of Operations." All of these forward-looking statements are based on estimates and assumptions made by our management which, although we believe to be reasonable, are inherently uncertain. Therefore, you should not place undue reliance upon such estimates and statements. We cannot assure you that any of such estimates or statements will be realized and it is likely that actual results will differ materially from those contemplated by such forward-looking statements. Factors that may cause such differences include:

volatility and changes in our advertising revenues;

the outbreak and duration of hostilities or the occurrence of terrorist attacks and the duration and extent of network preemption of regularly scheduled programming and decisions by advertisers to withdraw or delay planned advertising expenditures as a result of military action or terrorist attacks;

restrictions on our operations due to, and the effect of, our significant leverage;

effects of complying with new accounting standards, including with respect to the treatment of our intangible assets;

inability to consummate acquisitions on attractive terms;

increases in our cost of borrowings or inability or unavailability of additional debt or equity capital;

increased competition, including from newer forms of entertainment and entertainment media or changes in the popularity or availability of programming;

increased costs, including increased capital expenditures as a result of necessary technological enhancements such as expenditures related to the transition to digital broadcasting, or acquisitions or increased programming costs;

effects of our control relationships, including the control that Hicks Muse and its affiliates have with respect to corporate transactions and activities we undertake;

adverse state or federal legislation or regulation or adverse determinations by regulators including adverse changes in, or interpretations of, the exceptions to the FCC "duopoly" rule; and

changes in general economic conditions in the markets in which we compete.

Many of these factors are beyond our control. Forward-looking statements contained herein speak only as of the date hereof. We undertake no obligation to publicly release the result of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Executive Summary

We are an owner and operator of 25 television stations in 15 mid-sized markets in the United States and Puerto Rico. Our operating revenues are derived from the sale of advertising time to local and national advertisers and, to a much lesser extent, from the networks for the broadcast of their programming and from other broadcast-related activities.

We recorded a net loss of \$10.3 million in the three months ended March 31, 2005 compared with net income of \$1.4 million for the same period in the prior year. The following are some of our operating highlights for the three months ended March 31, 2005:

We issued an additional \$175.0 million in aggregate principal amount of our 6 1/2% Senior Subordinated Notes.

We issued our senior credit facility. Under our new facility, we obtained a \$170.0 million term loan, the proceeds of which were used to repay the balance on our existing term loan and for general business purposes and a \$160.0 million revolving credit facility.

We repurchased or redeemed all \$166.4 million of our 8% Senior Notes.

We acquired WNDY-TV, the UPN affiliate serving Indianapolis, Indiana, and WWHO-TV, the UPN affiliate serving Columbus, Ohio, from Viacom, Inc. for \$85.0 million in cash, which was funded by a combination of cash on hand and proceeds from our revolving credit facility (see Note 3 of the unaudited condensed consolidated financial statements - Acquisitions and Dispositions).

Industry Trends

The broadcast television industry is reliant primarily on advertising revenues and faces increased competition largely from new technologies. The following summarizes certain of the competitive forces and risks that may impact our future operating results.

Political revenues from elections and revenues from Olympic Games, which generally occur on the even years, continue to create fluctuations in our operating results when comparing first quarter of 2005 with the same period of 2004. U.S. television station advertising decreased 3.0% in the first quarter of 2005 compared to an increase of 9.3% in the same period last year (source: Television Bureau of Advertising).

We depend on automotive-related advertising that represents approximately 26% of our total net revenues for each of the three months ended March 31, 2005 and 2004. A significant change in these advertising revenues could materially affect our future results of operations.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our condensed consolidated financial statements that have been prepared in accordance with accounting principles generally accepted in the United States of America.

The preparation of our unaudited consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities and equity and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Areas where significant estimates are made include valuation of long-lived assets

[Table of Contents](#)

and intangible assets, network affiliations, deferred tax assets, revenue recognition, stock-based compensation, allowance for doubtful accounts, amortization of program rights, collectability of receivables, barter transactions and net assets of businesses acquired. These estimates have a material impact on our financial statements. We base our estimates on historical experience and on various other assumptions that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets, liabilities and equity that are not readily apparent from other sources. Actual results and outcomes could differ from these estimates and assumptions. For a more detailed explanation of the judgments made in these areas and a discussion of our accounting policies, refer to "Critical Accounting Policies, Estimates and Recently Issued Accounting Pronouncements" included in Item 7 and "Summary of Significant Accounting Policies" (Note 1) included in Item 15 of our Annual Report on Form 10-K for the year ended December 31, 2004. Since December 31, 2004, there have been no significant changes to our critical accounting policies.

Off-Balance Sheet Arrangements

We do not have any contractual relationships with unconsolidated entities, including special purpose entities or variable interest entities, for the purpose of facilitating off-balance sheet arrangements. We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Results of Operations

Set forth below are significant factors that contributed to our operating results for the three months ended March 31, 2005 and 2004, respectively.

	Three Months Ended March 31,		% Change
	2005	2004	
National time sales (before agency commissions)	\$27,928	\$27,971	0 %
Local time sales (before agency commissions)	57,404	57,460	0 %
Political time sales (before agency commissions)	284	1,854	-85 %
Agency commissions (related to time sales)	(13,561)	(14,101)	-4 %
Network compensation	2,415	2,729	-12 %
Barter revenue	1,866	2,308	-19 %
Other revenue	2,103	1,623	30 %
Net revenue	78,439	79,844	-2 %
Operating costs and expenses:			
Direct operating (excluding \$7.8 million and \$7.5 million of depreciation for the three months ended March 31, 2005 and 2004, respectively)	26,011	24,630	6 %
Selling, general and administrative	24,762	22,500	10 %
Amortization of program rights	5,855	5,724	2 %
Corporate	5,255	4,098	28 %
Depreciation and amortization of intangible assets	8,039	7,776	3 %
Total operating costs and expenses	69,922	64,728	8 %
Operating income	\$8,517	\$15,116	-44 %

Net revenues consist primarily of national, local and political airtime sales, net of sales adjustments and agency commissions. Additional, but less significant, amounts are generated from network compensation, internet revenues, barter revenues, production revenues, tower rental income and carriage or retransmission agreements.

Net revenues decreased \$1.4 million or 2% for the three months ended March 31, 2005 compared to the same period last year. The decrease is primarily driven by decreased political revenues. We expect political revenue to decrease substantially in 2005, as it is not an election year.

Operating Costs and Expenses

Direct operating expenses (excluding depreciation and amortization of intangible assets) consisting primarily of news, engineering, programming and music licensing costs and excluding depreciation and amortization expense increased \$1.4 million or 6% for the three months ended March 31, 2005 compared to the same period last year. The increase is primarily due to general cost increases in salary and related payroll taxes and the consolidation of Banks Broadcasting's \$0.3 million of such expenses for the three months ended March 31, 2005.

Selling, general and administrative expenses consisting primarily of employee salaries, sales commissions and other employee benefit costs, advertising and promotional expenses increased \$2.3 million or 10% for the three months ended March 31, 2005 compared to the same period last year. The increase is primarily due to increased expenses of \$0.8 million for the three months ended March 31, 2005 attributable to the consolidation of Banks Broadcasting. The remaining increase is a combination of a general cost increase in salary and related payroll taxes and retirement fund expense of \$0.6 million for the three months ended March 31, 2005.

Amortization of program rights represents costs associated with the acquisition of syndicated programming, features and specials. Amortization of program rights increased \$0.1 million or 2% for the three months ended March 31, 2005 compared to the same period last year.

Corporate expenses, consisting of costs associated with the centralized management of our stations, increased \$1.2 million for the three months ended March 31, 2005 compared to the same period last year. The increase is primarily attributable to increased stock-based compensation of \$1.0 million for the three months ended March 31, 2005.

Depreciation and amortization of intangible assets increased \$0.3 million or 3% for the three months ended March 31, 2005 compared to the same period last year.

Other (Income) Expense**Interest expense**

The following table summarizes our total interest expense:

Components of interest expense, including discount and financing fee amortization	Three Months Ended March 31,	
	2005	2004
Credit facility	\$2,344	\$2,357
\$375,000 and \$200,000, 6 1/2% Senior Subordinated Notes, respectively	5,407	3,374
\$125,000 aggregate principal amount of 2.50% Exchangeable Senior Subordinated Debentures	1,870	1,869
\$0 and \$180,485 aggregate principal amount of 8% Senior Notes, respectively	1,501	4,139
Interest income, net	(212)	(85)
Total interest expense, net	<u>\$10,910</u>	<u>\$11,654</u>

Interest expense, net decreased \$0.7 million or 6% for the three months ended March 31, 2005 compared to the same period last year, due to lower outstanding borrowings and a lower average interest rate.

Gain on derivative instruments consists of mark-to-market adjustments of the embedded derivative features contained in our 2.50% Exchangeable Senior Subordinated Debentures. Loss on derivative instruments was \$0.5 million for the three months ended March 31, 2005 compared to a gain of \$1.0 million for the same period last year due to fluctuations in market interest rates.

Other Items

We recorded losses of \$12.3 million and \$2.9 million for the three months ended March 31, 2005 and 2004, respectively, related to the write-off of unamortized financing fees and discounts and associated costs in connection with the early extinguishment of our 8% Senior Notes due 2008.

Provision for Income Taxes

We recorded a benefit from income taxes of \$4.8 million for the three months ended March 31, 2005 compared to a provision from income taxes of \$3.8 million for the same period prior year. The benefit as of March 31, 2005 was primarily due to the discrete tax income benefit of \$4.3 million on the \$12.3 million loss on extinguishment of debt. Our effective income tax rate was 42.1% for the first quarter of 2005, excluding the \$12.3 million loss on the extinguishment of debt. We used the discrete method to calculate income tax expense for 2004.

Liquidity and Capital Resources

Our principal sources of funds for working capital have historically been cash from operations, the issuance of debt securities and borrowings under our credit facility.

Description of Indebtedness

On January 28, 2005, the Company issued an additional \$175.0 million aggregate principal amount of our 6 1/2% Senior Subordinated Notes due 2013. The proceeds from the sale of the 6 1/2% Notes were used to repurchase or redeem \$166.4 million principal amount of the 8% Senior Notes due 2008.

We replaced our credit facility on March 11, 2005. Under the new facility, we obtained a \$170.0 million term loan, the proceeds of which were used to repay the balance on our existing term loan and for general business purposes, and a \$160.0 million revolving credit facility, of which \$50.0 million was used in combination with cash on hand to acquire WNDY-TV and WWHO-TV during the first quarter of 2005. We are required to make mandatory payments on the new term loan of \$4.3 million per quarter beginning March 31, 2006. The revolving credit facility and term loan expire on March 11, 2010 and 2011, respectively.

	March 31, 2005	December 31, 2004
Credit Facility	\$220,000	\$ 158,500
\$166,440, 8% Senior Notes due 2008 (net of discount of \$2,884 at December 31, 2004)	-	163,556
\$375,000 and \$200,000, 6 1/2% Senior Subordinated Notes due 2013 at March 31, 2005 and December 31, 2004, respectively	375,000	200,000
\$125,000, 2.50% Exchangeable Senior Subordinated Debentures due 2033 (net of discount of \$13,162 and \$14,215 at March 31, 2005 and December 31, 2004, respectively)	111,838	110,785
Total debt	706,838	632,841
Less current portion	4,250	6,573
Total long-term debt	<u>\$702,588</u>	<u>\$ 626,268</u>

The revolving credit facility may be used for general corporate purposes, acquisitions of certain assets and the redemption of our publicly traded securities not to exceed \$50 million. The credit facility permits us to prepay loans and to permanently reduce revolving credit commitments, in whole or in part, at any time. We are required to make principal payments of our terms loans in the amount of \$4.3 million per quarter, starting on March 31, 2006, and additional prepayments based on certain debt transactions or the disposal of certain assets.

The credit facility contains covenants that, among other things, restrict the ability of our subsidiaries to dispose of assets, incur additional indebtedness, incur guarantee obligations, prepay other indebtedness or amend other debt instruments, pay dividends, create liens on assets, enter into sale and leaseback transactions, make investments, loans or advances, make acquisitions, engage in mergers or consolidations, change the business conducted by it, make capital expenditures, or engage in certain transactions with affiliates and otherwise restrict certain corporate activities. We are required, under the terms of the senior credit facility, to comply with specified financial ratios, including minimum interest coverage ratio, maximum leverage ratio and minimum fixed charge coverage ratio. At March 31, 2005, the Company was in compliance with the covenants under the credit facility.

[Table of Contents](#)

The credit facility also contains provisions that prohibit any modification of the indentures governing our senior subordinated notes in any manner adverse to the lenders and that limits our ability to refinance or otherwise prepay our senior subordinated notes without the consent of such lenders.

Our 6 1/2% Senior Subordinated Notes bear interest at the rate of 6.5% per annum, payable semi-annually in arrears, with a final maturity date of May 15, 2013. Our 2.5% Exchangeable Senior Subordinated Debentures bear interest at the rate of 2.5% per annum, payable semi-annually in arrears, with a final maturity date of May 15, 2033. However, the holders of our 2.50% Exchangeable Senior Subordinated Debentures can require us to repurchase all or a portion of the debentures on each of May 15, 2008, 2013, 2018, 2023 and 2028.

The 6 1/2% Senior Subordinated Notes and the 2.50% Exchangeable Senior Subordinated Debentures are unsecured and are subordinated in right of payment to all senior indebtedness, including our credit facility.

The indentures governing the 6 1/2% Senior Subordinated Notes and 2.50% Exchangeable Senior Subordinated Debentures contain covenants limiting, among other things, the incurrence of additional indebtedness and issuance of capital stock; layering of indebtedness; the payment of dividends on, and redemption of, our capital stock; liens; mergers, consolidations and sales of all or substantially all of our assets; asset sales; asset swaps; dividend and other payment restrictions affecting restricted subsidiaries; and transactions with affiliates. The indentures also have change of control provisions which may require us to purchase all or a portion of our 6 1/2% Senior Subordinated Notes at a price equal to 101% of the principal amount of the notes, together with accrued and unpaid interest, and our 2.50% Exchangeable Senior Subordinated Debentures at a price equal to 100% of the principal amount of the notes, together with accrued and unpaid interest.

Contractual Obligations

The following table summarizes our estimated material contractual cash obligations at March 31, 2005 (in thousands)

	April - December 2005	2006-2008	2009-2010	Thereafter	Total
Principal payments and mandatory redemptions on debt (1)	\$ -	\$51,000	\$84,000	\$585,000	\$720,000
Cash interest on debt (2)	27,152	104,156	65,635	99,689	296,632
Program payments (3)	26,815	58,963	14,440	6,649	106,867
Operating leases (4)	880	2,131	681	3,398	7,090
Local marketing agreement payments (5)	1,130	1,073	-	-	2,203
Total	<u>\$ 55,977</u>	<u>\$217,323</u>	<u>\$164,756</u>	<u>\$694,736</u>	<u>\$1,132,792</u>

(1) We are obligated to repay the revolving portion of our credit facility in March 2010 and the term loan in March 2011, our 6 1/2% Senior Subordinated Notes in May 2013 and our 2.50% Exchangeable Senior Subordinated Debentures in May 2033. However, the holders of our 2.50% Exchangeable Senior Subordinated Debentures can require us to purchase all or a portion of the debentures on each of May 15, 2008, 2013, 2018, 2023 and 2028.

(2) We have contractual obligations to pay cash interest on our credit facility and our 6 1/2% Senior Subordinated Notes through 2013, and our 2.50% Exchangeable Senior Subordinated Debentures through 2033. We may pay contingent interest to holders of the debentures during any six-month period commencing May 15, 2008, if the average trading price of the debentures for a five trading day measurement period immediately preceding the first day of the applicable six-month period equals 120% or more of the principal amount of the debentures. The contingent interest equals 0.25% per annum per \$1,000 principal amount of debentures. In addition, we are obligated to pay commitment fees of approximately 0.30% on the unused amount of the credit facility.

(3) We have entered into commitments for future syndicated news, entertainment, and sports programming. We have recorded \$47.6 million of program obligations as of March 31, 2005 and have unrecorded commitments of \$59.3 million for programming that is not available to air as of March 31, 2005.

(4) We lease land, buildings, vehicles and equipment under non-cancelable operating lease agreements.

- (5) We have entered into option agreements that would enable us to purchase KNVA-TV and WNAC-TV for a fixed amount under certain conditions. In connection with these agreements, we are committed to pay minimum future periodic fees totaling \$2.2 million as of March 31, 2005.

Net cash provided by operating activities decreased \$6.1 million to \$12.7 million for the three months ended March 31, 2005 compared to \$18.8 million in the same period last year. The decrease is the result of a decrease in our operating income for the three months ended March 31, 2005.

Net cash used in investing activities was \$82.9 million for the three months ended March 31, 2005 compared to \$5.3 million in the same period last year. This change is primarily the result of our acquisition of WNDY-TV and WWHO-TV in the three months ended March 31, 2005 for \$85.0 million less certain working capital adjustments.

Net cash provided by financing activities increased \$69.1 million to \$58.6 million for the three months ended March 31, 2005 compared to net cash used in financing activities of \$10.5 million for the same period last year. This increase is the result of the proceeds from the issuance of our long-term debt of \$345.0 million, of which \$170.0 is from our credit facility and an additional \$175.0 million principal amount of our 6 1/2% Senior Subordinated Notes. This was offset by an increase in our principal payments on long-term debt of \$324.9 million in the three months ended March 31, 2005 compared to \$26.3 million for the same period last year due to the repayment of \$166.4 million of 8% Senior Notes and \$158.5 million of our old credit facility.

Based on the current level of our operations and anticipated future growth, both internally generated as well as through acquisition, we believe that our cash flows from operations, together with available borrowings under our senior credit, will be sufficient to meet our anticipated requirements for working capital, capital expenditures, interest payments and scheduled principal payments for at least the next 12 months.

Recent Accounting Pronouncements

In December 2004, the Financial Accounting Standards Board (FASB) issued SFAS No. 123R, *Share-Based Payment*, which was to be effective for reporting periods beginning after June 15, 2005. In April 2005, the FASB announced that the effective date of SFAS 123(R), has been delayed until the first quarter of 2006. SFAS No. 123R requires us to recognize the cost of employee services received in exchange for the Company's equity instruments. Currently, in accordance with APB Opinion 25, we record the intrinsic value of stock based compensation as expense. Accordingly, no compensation expense is currently recognized for fixed stock option plans as the exercise price equals the stock price on the date of grant. Under SFAS No. 123R, we will be required to measure compensation expense over the vesting period of the options based on the fair value of the stock options at the date the options are granted. SFAS No. 123R allows for the use of the Black-Scholes or a lattice option-pricing model to value such options. As allowed by SFAS No. 123R, we can elect either Modified Prospective Application, which applies the Statement to new awards and modified awards after the effective date, and to any unvested awards as service is rendered on or after the effective date, or Modified Retrospective Application which can apply the effect of the statement to all prior years for which SFAS No. 123 was effective. We are currently evaluating which valuation model and method of application will be used.

In March 2005, the FASB issued FASB Interpretation No. 47, "Accounting for Conditional Asset Retirement Obligations - an Interpretation of FASB Statement No. 143" ("FIN 47"), which is effective for all reporting periods ending after December 15, 2005. FIN 47 requires that an entity shall recognize a liability for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonably estimated, rather than when the obligation is incurred, generally upon acquisition, construction, or development and/or through the normal operation of the asset as required by FASB Statement No. 143. An asset retirement obligation would be reasonably estimable if (a) it is evident that the fair value of the obligation is embodied in the acquisition price of the asset, (b) an active market exists for the transfer of the obligation, or (c) sufficient information exists to apply an expected present value technique. The provisions of FIN 47 are not expected to have a material impact on our consolidated financial statements.

[Table of Contents](#)

In March 2005, the SEC Staff issued a Staff Accounting Bulletin (“SAB 107”) which express views of the staff regarding the interaction between SFAS No. 123R and certain SEC rules and regulations and provide the staff’s views regarding the valuation of share-based payment arrangements for public companies. In particular, SAB 107 provides guidance related to share-based payment transactions with non-employees, the transition from nonpublic to public entity status, valuation methods (including assumptions such as expected volatility and expected term), the accounting for certain redeemable financial instruments issued under share-based payment arrangements, the classification of compensation expense, non-GAAP financial measures, first-time adoption of SFAS No. 123R in an interim period, capitalization of compensation cost related to share-based payment arrangements, the accounting for income tax effects of share-based payment arrangements upon adoption of SFAS No. 123R, the modification of employee share options prior to adoption of SFAS No. 123R and disclosures in Management’s Discussion and Analysis (“MD&A”) subsequent to adoption of SFAS No. 123R.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk from changes in interest rates principally with respect to our credit facilities, which are priced based on certain variable interest rate alternatives. There was \$50.0 million outstanding as of March 31, 2005 under our revolving line of credit included in our credit facility.

Accordingly, we are exposed to potential losses related to increases in interest rates. A hypothetical one percent increase in the floating rate used as the basis for the interest charged on the credit facility as of March 31, 2005 would result in an estimated \$0.5 million increase in annualized interest expense assuming a constant balance outstanding of \$50.0 million.

Our 2.50% Exchangeable Senior Subordinated Debentures have certain embedded derivative features that are required to be separately identified and recorded at fair value with a mark-to-market adjustment required each quarter. The value of these features on issuance of the debentures was \$21.1 million and this amount was recorded as an original issue discount and is being accreted through interest expense over the period to May 2008. The derivative features are recorded at fair market value in the line item "other liabilities." We have recorded a loss on derivative instruments in connection with the mark-to-market of these derivative features of \$0.5 million in the three months ended March 31, 2005 compared to a gain of \$1.0 million for the same period last year.

We are also exposed to market risk related to changes in the interest rates through our investing activities. With respect to borrowings, our ability to finance future acquisition transactions may be impacted if we are unable to obtain appropriate financing at acceptable rates.

Item 4. Controls and Procedures

The Company's management, with the participation of the Company's chief executive officer and chief financial officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of March 31, 2005. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of the Company's disclosure controls and procedures as of March 31, 2005, the Company's chief executive officer and chief financial officer concluded that, as of such date, the Company's disclosure controls and procedures were effective at the reasonable assurance level.

No change in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended March 31, 2005 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II: Other Information

Item 1. *Legal Proceedings*

We are involved in various claims and lawsuits that are generally incidental to our business. We are vigorously contesting all of these matters and believe that their ultimate resolution will not have a material adverse effect on us.

Item 5. *Other Information*

On May 4, 2005, the stockholders of LIN TV Corp. approved the Amended and Restated 2002 Stock Plan, which (i) increased the number of shares of class A common stock reserved for issuance under the plan from 2,700,000 shares to 6,300,000 shares, (ii) permits stock exchange programs pursuant to which outstanding options could be exchanged for restricted stock, and (iii) permits the repricing of stock option grants under the plan.

The stockholders of LIN TV Corp. also approved the Amended and Restated 2002 Non-Employee Director Stock Plan, which (i) increased the number of shares of class A common stock reserved for issuance under the plan from 200,000 shares to 400,000 shares, (ii) increased the annual awards to directors, and (iii) permits stock exchange programs pursuant to which outstanding options could be exchanged for restricted stock.

Item 6. *Exhibits*

Exhibits:

- 10.1 Exchange and Registration Rights Agreement, dated as of January 28, 2005, among LIN Television Corporation, J.P. Morgan Securities Inc., Deutsche Bank Securities Inc., Banc of America Securities LLC, Bear, Stearns & Co. Inc., Morgan Stanley & Co. Incorporated and Scotia Capital (USA) Inc.
- 10.2 Supplemental Indenture, dated as of January 31, 2005, among LIN Television Corporation, the Guarantors named therein and The Bank of New York (incorporated by reference from the Current Report on Form 8-K of LIN TV Corp. and LIN Television Corporation (File Nos. 001-31311 and 000-25206) dated January 28, 2005 filed with the SEC on February 2, 2005).
- 10.3 Executive Officer Compensation Summary (incorporated by reference from Item 1.01 of the Current Report on Form 8-K of LIN TV Corp. and LIN Television Corporation (File Nos. 001-31311 and 000-25206) dated February 4, 2005 filed with the SEC on February 10, 2005).
- 10.4 Summary of Non-Employee Director Compensation (incorporated by reference from Item 1.01 of the Current Report on Form 8-K of LIN TV Corp. (File No. 001-31311) dated February 23, 2005 filed with the SEC on February 28, 2005).
- 10.5 Executive Officer Compensation Summary (incorporated by reference from Item 1.01 of the Current Report on Form 8-K of LIN TV Corp. (File No. 001-31311) dated February 28, 2005 filed with the SEC on March 3, 2005).
- 10.6 Credit Agreement, dated as of March 11, 2005, among LIN Television Corporation, as Borrower, Televiscentro of Puerto Rico, LLC as the Permitted Borrower, the Lenders party thereto, J.P. Morgan Chase Bank, as Administrative Agent, as an Issuing Lender and as Swingline Lender, J.P. Morgan Securities Inc., Deutsche Bank Securities Inc. as Joint Lead Arrangers and Joint Bookrunners, Deutsche Bank Trust Company Americas as Syndication Agent and as an Issuing Lender, and Bank of America, N.A., The Bank of Nova Scotia, and Wachovia Bank, National Association as Documentation Agents and Suntrust Bank as Co-Documentation Agent (filed as Exhibit 10.44 to the Annual Report on Form 10-K of LIN TV Corp. and LIN Television Corporation (File Nos. 001-31311 and 000-25206) and incorporated herein by reference).
- 10.7 LIN TV Corp. Amended and Restated 2002 Stock Plan, dated as of May 4, 2005.

[Table of Contents](#)

- 31.1 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Chief Executive Officer of LIN TV Corp.
- 31.2 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Chief Financial Officer of LIN TV Corp.
- 31.3 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Chief Executive Officer of LIN Television Corporation.
- 31.4 Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Chief Financial Officer of LIN Television Corporation.
- 32.1 Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Chief Executive Officer and Principal Financial Officers of LIN TV Corp.
- 32.2 Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Chief Executive Officer and Principal Financial Officers of LIN Television Corporation

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, each of LIN TV Corp. and LIN Television Corporation, has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

***LIN TV CORP.
LIN TELEVISION CORPORATION***

Dated: May 6, 2005

By: /s/ Vincent L. Sadusky
Vincent L. Sadusky
Chief Financial Officer and Treasurer

By: /s/ William A. Cunningham
William A. Cunningham
Vice President and Controller
(Principal Accounting Officer)

[Table of Contents](#)

Item 1. Financial Statements

LIN Television Corporation

Condensed Consolidated Balance Sheets	29
Condensed Consolidated Statements of Operations	30
Condensed Consolidated Statements of Cash Flows	31
Notes to Condensed Consolidated Financial Statements	32

LIN TELEVISION CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2005 (Unaudited)	December 31, 2004
(In thousands, except share data)		
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,219	\$ 14,797
Accounts receivable, less allowance for doubtful accounts (2005 - \$1,131; 2004 - \$1,450)	61,227	70,639
Program rights	16,898	17,312
Other current assets	5,100	3,790
Total current assets	86,444	106,538
Property and equipment, net	200,416	197,565
Deferred financing costs	13,661	11,060
Equity investments	63,004	65,813
Program rights	12,556	12,165
Other assets	16,582	16,043
Goodwill	614,181	583,105
Broadcast licenses and other intangible assets, net	1,131,270	1,066,135
Total assets	<u>\$ 2,138,114</u>	<u>\$ 2,058,424</u>
LIABILITIES, PREFERRED STOCK AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 4,250	\$ 6,573
Accounts payable	5,684	7,774
Accrued interest expense	10,565	8,118
Accrued sales volume discount	1,384	6,462
Other accrued expenses	17,145	13,483
Program obligations	27,019	23,278
Total current liabilities	66,047	65,688
Long-term debt, excluding current portion	702,588	626,268
Deferred income taxes, net	428,690	445,695
Program obligations	20,569	12,008
Other liabilities	58,244	38,344
Total liabilities	1,276,138	1,188,003
Preferred stock of Banks Broadcasting, Inc., \$0.01 par value, 179,322 and 173,822 issued and outstanding at March 31, 2005 and December 31, 2004, respectively	14,797	14,458
Stockholders' equity:		
Common stock \$0.01 par value: 1,000 authorized, issued and outstanding	-	-
Additional paid-in capital	1,073,856	1,072,320
Accumulated deficit	(212,087)	(201,767)
Accumulated other comprehensive loss	(14,590)	(14,590)
Total stockholders' equity	847,179	855,963
Total liabilities, preferred stock and stockholders' equity	<u>\$ 2,138,114</u>	<u>\$ 2,058,424</u>

The accompanying notes are an integral part of the condensed consolidated financial statements.

LIN TELEVISION CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended March 31,	
	2005	2004
	(In thousands)	
Net revenues	\$78,439	\$79,844
Operating costs and expenses:		
Direct operating (excluding depreciation of \$7.8 million and \$7.5 million for the three months ended March 31, 2005 and 2004, respectively)	26,011	24,630
Selling, general and administrative	24,762	22,500
Amortization of program rights	5,855	5,724
Corporate	5,255	4,098
Depreciation and amortization of intangible assets	8,039	7,776
Total operating costs and expenses	<u>69,922</u>	<u>64,728</u>
Operating income	8,517	15,116
Other (income) expense:		
Interest expense, net	10,910	11,654
Share of income in equity investments	(246)	(167)
Minority interest in loss of Banks Broadcasting, Inc.	(212)	–
Loss (gain) on derivative instruments	501	(990)
Loss on early extinguishment of debt	12,309	2,937
Other, net	401	(119)
Total other expense, net	<u>23,663</u>	<u>13,315</u>
(Loss) income from continuing operations before (benefit from) provision for income taxes and cumulative effect of change in accounting principle	(15,146)	1,801
(Benefit from) provision for income taxes	<u>(4,826)</u>	<u>3,797</u>
Loss from continuing operations before cumulative effect of change in accounting principle	(10,320)	(1,996)
Discontinued operations:		
Income from discontinued operations, net of tax provision of \$206	–	(69)
Cumulative effect of change in accounting principle, net of a tax effect of \$0	–	<u>(3,290)</u>
Net (loss) income	<u>\$ (10,320)</u>	<u>\$ 1,363</u>

The accompanying notes are an integral part of the condensed consolidated financial statements.

LIN TELEVISION CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended March 31,	
	2005	2004
	<i>(in thousands)</i>	
OPERATING ACTIVITIES:		
Net (loss) income	\$ (10,320)	\$ 1,363
Adjustment to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization of intangible assets	8,039	7,776
Amortization of financing costs and note discounts	1,769	2,033
Amortization of program rights	5,855	5,724
Program payments	(6,346)	(6,022)
Loss on early extinguishment of debt	12,309	2,937
Cumulative effect of change in accounting principle, net of tax impact	-	(3,290)
Loss (gain) on derivative instruments	501	(990)
Share of income in equity investments	(246)	(167)
Deferred income taxes, net	(5,197)	2,963
Other, net	1,613	(580)
Changes in operating assets and liabilities, net of acquisitions and disposals:		
Accounts receivable	9,627	11,834
Program rights, net of program obligations	639	92
Other assets	(1,849)	(347)
Accounts payable	(2,195)	(2,423)
Accrued interest expense	2,447	(406)
Accrued sales volume discount	(5,078)	(4,830)
Other accrued expenses	1,136	3,128
Net cash provided by operating activities	12,704	18,795
INVESTING ACTIVITIES:		
Capital expenditures	(1,544)	(1,740)
Investment in equity investments	-	(650)
Capital contribution from minority interest in Banks Broadcasting, Inc.	550	-
Distributions from equity investments	3,055	1,630
Acquisition of broadcast licenses	-	(4,224)
Payments for business combinations	(85,000)	-
Other, net	13	(270)
Net cash used in investing activities	(82,926)	(5,254)
FINANCING ACTIVITIES:		
Net proceeds on exercises of employee stock options and phantom stock units and employee stock purchase plan issuances	1,326	804
Proceeds from issuance of long-term debt	345,000	-
Long-term debt financing costs	(5,655)	(90)
Net proceeds from revolver debt	50,000	17,000
Principal payments on long-term debt	(324,940)	(26,265)
Cash expenses associated with early extinguishment of debt	(7,087)	(1,973)
Net cash provided by (used) in financing activities	58,644	(10,524)
Net (decrease) increase in cash and cash equivalents	(11,578)	3,017
Cash and cash equivalents at the beginning of the period	14,797	9,475
Cash and cash equivalents at the end of the period	\$ 3,219	\$ 12,492

LIN TELEVISION CORPORATION

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS - (Continued)

Note 1 – Basis of Presentation:

LIN TV Corp., together with its subsidiaries, including LIN Television Corporation (“LIN Television”) (together, the “Company”), is a television station group operator in the United States and Puerto Rico. LIN TV Corp. and its subsidiaries are affiliates of Hicks, Muse, Tate & Furst Incorporated (“Hicks Muse”).

LIN TV Corp. guarantees all debt of LIN Television Corporation. All of the consolidated wholly-owned subsidiaries of LIN Television Corporation fully and unconditionally guarantee all the Company’s debt on a joint and several basis.

Certain reclassifications have been made to the prior period financial statements to conform to the current period financial statement presentation.

These condensed consolidated financial statements have been prepared without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. The Company filed audited financial statements for the year ended December 31, 2004 in its Annual Report on Form 10-K, which includes all such information and disclosures.

In the opinion of management, the accompanying unaudited interim financial statements contain all adjustments necessary to summarize fairly the financial position, results of operations and cash flows of the Company for the periods presented. The interim results of operations are not necessarily indicative of the results to be expected for the full year.

The Company owns preferred stock that represents a 50% non-voting interest in Banks Broadcasting, Inc. (“Banks Broadcasting”), which owns and operates KWCV-TV, a WB affiliate in Wichita, Kansas and KNIN-TV, a UPN affiliate in Boise, Idaho. The Company consolidates the results of operations and financial condition of Banks Broadcasting in accordance with FIN 46R - “Consolidation of Variable Interest Entities (Revised December 2003) - an Interpretation of ARB No. 51.” All intercompany transactions have been eliminated in consolidation. The resulting consolidated balance sheet of the Company does not reflect any voting equity minority interest since Banks Broadcasting has incurred cumulative losses and as such the minority interest would be in a deficit position at March 31, 2005.

Hicks Muse has a substantial economic interest in 21st Century Group, LLC which owns 36% of the preferred stock on the Banks Broadcasting balance sheet.

The following presents the summarized balance sheet of Banks Broadcasting at March 31, 2004, the date of initial consolidation (in thousands):

LIN TELEVISION CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Assets		Liabilities and Equity	
Cash	\$ 97	Accounts payable	\$ 396
Accounts receivable	899	Program obligations, short-term	793
Program rights, short-term	757	Other accrued expenses	404
Other current assets	46	Program obligations, long-term	525
Property and equipment	5,048	Deferred income taxes, net	4,805
Program rights, long-term	662	Preferred stock	<u>34,764</u>
Broadcast licenses	<u>29,238</u>		
Total assets	<u>\$ 36,747</u>	Total liabilities and equity	<u>41,687</u>
		Deficit	<u>\$ (4,940)</u>

The deficit of \$4.9 million was allocated to the nonvoting preferred stock, and the Company's ownership of such preferred stock has been eliminated on consolidation.

The Company's preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reported periods. Estimates are used when accounting for the collectibility of accounts receivable, mark-to-market of derivative instruments, valuation of intangible assets, deferred tax assets and net assets of businesses acquired. Actual results could differ from these estimates.

Note 2 – Stock-Based Compensation

The Company accounts for its stock-based employee compensation plans under the recognition and measurement principles of Accounting Principles Board ("APB") Opinion No. 25, "Accounting for Stock Issued to Employees," and related interpretations.

The following table illustrates the effect on net (loss) income if the Company had applied the fair value recognition provisions of Statement of Financial Accounting Standards ("SFAS") No. 123, "Accounting for Stock-Based Compensation," to stock-based employee compensation (in thousands):

	Three Months Ended	
	March 31,	
	2005	2004
Net (loss) income, as reported	\$(10,320)	\$1,363
Add: Stock-based employee compensation expense, included in reported net (loss) income, net of related tax effect	670	124
Deduct: Total stock-based employee compensation expense determined under the fair value based method for all awards, net of related tax effect	(350)	(761)
Pro forma net (loss) income	<u>\$(10,000)</u>	<u>\$726</u>

The fair value of each option is estimated on the date of grant using the Black-Scholes option-pricing model with the following assumptions during the three months ended March 31, 2004:

Volatility	24	%
Risk-free interest rates	2.0 - 4.4	%
Weighted average expected life	3 - 10	years
Dividend yields	0	%

LIN TELEVISION CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

There were no options granted during the three months ended March 31, 2005.

Note 3 – Acquisitions and Dispositions:

On March 31, 2005, the Company acquired the broadcast licenses and certain operating assets and liabilities of WNDY-TV, the UPN affiliate serving Indianapolis, Indiana and WWHO-TV, the UPN affiliate serving Columbus, Ohio from Viacom, Inc. for \$85.0 million and was funded by a combination of cash on hand and the revolving credit facility.

In addition to the \$17.8 million of program obligations recorded by the Company in connection with the acquisition of WNDY-TV and WWHO-TV, the Company recorded \$18.3 million in other liabilities related to estimated losses on future program obligations and above market program contracts. These future program obligations are unrecorded in accordance with SFAS No. 63 “Financial Reporting by Broadcasters.” The Company has also recorded \$2.7 million in connection with the acquisition of WNDY-TV and WWHO-TV relating to employee severance costs and certain contractual costs as a result of the Company’s plans to centralize the master control operations of WNDY-TV and WWHO-TV at the Company’s transmission facility in Indianapolis, Indiana; and transaction costs related to the acquisition of the two stations.

The following table summarizes the estimated fair value of the assets acquired and liabilities assumed at the date of acquisition. The Company is in the process of obtaining third-party valuations of the assets acquired; thus the allocation of the purchase price is preliminary (in thousands):

	<u>WNDY-TV</u>	<u>WWHO-TV</u>
Accounts receivable	\$437	\$87
Program rights, short-term	1,709	1,925
Property and equipment	4,902	4,589
Program rights, long-term	1,076	908
Broadcast licenses	36,600	28,800
Goodwill	20,282	10,794
Deferred tax assets	8,037	3,774
Total assets	<u>\$73,043</u>	<u>\$50,877</u>
Accounts payable	105	–
Other accrued expenses	1,671	1,069
Program obligations, short-term	4,375	2,327
Program obligations, long-term	7,029	4,068
Other long-term liabilities	12,363	5,913
Total liabilities	<u>\$25,543</u>	<u>\$13,377</u>
Purchase Price	<u>\$47,500</u>	<u>\$37,500</u>

The following table sets forth unaudited pro forma information of the Company as if the acquisition of WNDY-TV and WWHO-TV had occurred on January 1, 2004:

	Three Months Ended	
	March 31,	
	<u>2005</u>	<u>2004</u>
Net revenues	\$83,095	\$84,866
Operating (loss) income	7,813	15,139
Net loss	(10,903)	1,201

LIN TELEVISION CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

On May 14, 2004, the Company completed the sale of WEYI-TV, the NBC affiliate serving Flint, Michigan, for \$24.0 million. The operating results of this station for the three-month period ended March 31, 2004 have been excluded from continuing operations and included in discontinued operations under the provisions of SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." During the three month period ended March 31, 2004, the Company recorded income from discontinued operations of \$69,000, net of a tax provision of \$206,000.

The following table summarizes the net revenues and pre-tax income for WEYI-TV included in the historical results:

	Three Months Ended March 31, 2004
Net revenues	\$ 2,027
Operating income	675
Net income	621

On January 14, 2004, the Company purchased the broadcast license and certain assets of WIRS-TV in Yauco, Puerto Rico from Marantha Christian Network for \$4.5 million and was funded by borrowings from the Company's former revolving credit facility.

Note 4 – Investments:

The Company has investments in two ventures with third parties, through which it has an interest in television stations. The following presents the Company's basis in these ventures (in thousands) :

	March 31, 2005	December 31, 2004
NBC joint venture	\$52,845	\$ 55,604
WAND (TV) Partnership	10,159	10,209
	<u>\$63,004</u>	<u>\$ 65,813</u>

Joint Venture with NBC: The Company owns a 20.38% interest in a joint venture with NBC and accounts for its interest using the equity method, as the Company does not have a controlling interest. The Company received distributions of \$3.1 million and \$1.6 million from the joint venture in the three months ended March 31, 2005 and 2004, respectively.

The following presents the summarized financial information of the joint venture (in thousands):

LIN TELEVISION CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

	Three Months Ended March 31,	
	2005	2004
Revenue	\$18,306	\$18,441
Other expense	(16,854)	(15,948)
Net income	1,452	2,493

	March 31, 2005	December 31, 2004
	Current assets	\$12,359
Non-current assets	230,296	233,957
Current liabilities	1,269	724
Non-current liabilities	815,500	815,500

WAND (TV) Partnership: The Company has a 33.33% interest in a partnership, WAND (TV) Partnership, with Block Communications. The Company accounts for its interest using the equity method, as the Company does not have a controlling interest. The Company has also entered into a management services agreement with WAND (TV) Partnership to provide specified management, engineering and related services for a fixed fee. Included in this agreement is a cash management arrangement under which the Company incurs expenditures on behalf of WAND (TV) Partnership and is periodically reimbursed. Amounts due to the Company under this arrangement were \$206,000 and \$478,000 as of March 31, 2005 and December 31, 2004, respectively.

The following presents the summarized financial information of the WAND (TV) Partnership (in thousands):

	March 31,	
	2005	2004
Net revenues	\$1,509	\$1,633
Operating loss	112	(50)
Net loss	(149)	(49)

	March 31, 2005	December 31, 2004
	Current assets	\$3,136
Non-current assets	24,058	24,283
Current liabilities	686	917
Non-current liabilities	5	32

LIN TELEVISION CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

Note 5 – Intangible Assets:

The following table summarizes the carrying amount of each major class of intangible assets (in thousands):

	March 31, 2005	December 31, 2004
Amortized Intangible Assets:		
LMA purchase options	\$3,300	\$ 3,300
Network affiliations	173	173
Income leases	393	393
Other intangible assets	1,780	1,780
Accumulated amortization	(3,041)	(2,776)
	<u>2,605</u>	<u>2,870</u>
Unamortized Intangible Assets:		
Broadcast licenses	1,128,665	1,063,265
Total broadcast licenses and other intangible assets, net	\$1,131,270	\$ 1,066,135
Goodwill	614,181	583,105
Total intangible assets	<u>\$1,745,451</u>	<u>\$ 1,649,240</u>

The increase in broadcast licenses and goodwill in the three month period ending March 31, 2005 is due to the acquisition of WNDY-TV and WWHO-TV on March 31, 2005. The Company is in the process of obtaining third-party valuations of all acquired intangible assets, including broadcast licenses and goodwill; thus, the allocation of WNDY-TV and WWHO-TV is based on preliminary estimates.

The following table summarizes the aggregate amortization expense for all periods presented as well as the estimated amortization expense for the next five years (in thousands):

	Three Months Ended March 31,		Estimated amortization expense For the year ended December 31,				
	2004	2005	2005	2006	2007	2008	2009
Amortization expense	\$278	\$266	\$1,864	\$1,006	\$-	\$-	\$-

Note 6 -Debt:

Debt consisted of the following (in thousands):

LIN TELEVISION CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

	March 31, 2005	December 31, 2004
Credit Facility	\$220,000	\$ 158,500
\$166,440, 8% Senior Notes due 2008 (net of discount of \$2,884 at December 31, 2004)	–	163,556
\$375,000 and \$200,000, 6 1/2% Senior Subordinated Notes due 2013 at March 31, 2005 and December 31, 2004, respectively,	375,000	200,000
\$125,000, 2.50% Exchangeable Senior Subordinated Debentures due 2033 (net of discount of \$13,162 and \$14,215 at March 31, 2005 and December 31, 2004, respectively)	111,838	110,785
Total debt	706,838	632,841
Less current portion	4,250	6,573
Total long-term debt	<u>\$702,588</u>	<u>\$ 626,268</u>

On January 28, 2005, the Company issued an additional \$175.0 million aggregate principal amount of its 6 1/2% Senior Subordinated Notes due 2013. The proceeds from the issuance of the 6 1/2% Notes were used to repurchase or redeem \$166.4 million principal amount of the 8% Senior Notes due 2008.

The Company consummated a new credit facility on March 11, 2005 that included a \$170.0 million term loan with a maturity date of March 11, 2011 and a \$160.0 million revolving credit facility with a maturity date of March 31, 2010. The proceeds of the term loan were used to repay the balance on the existing term loan. The Company used \$50.0 million of the revolving credit facility and existing cash on hand to acquire WNDY-TV and WWHO-TV.

The Company incurred charges of \$12.3 million during the period ended March 31, 2005 related to the write-off of unamortized discounts, deferred financing fees and associated costs as a result of the early extinguishment of debt. Financing fees related to the 6 1/2% Notes and the credit facility of \$5.7 million were capitalized and are being amortized over the term of the related debt.

The current portion of long-term debt includes \$4.3 million of quarterly amortization of a term loan under the credit facility beginning in March of 2006.

Note 7 – Related Party Transactions:

Financial Advisory Agreement. The Company is party to an agreement with Hicks Muse Partners, pursuant to which the Company reimburses Hicks Muse Partners, an affiliate of Hicks Muse, for certain expenses incurred by it in connection with rendering services relating to acquisitions, sales, mergers, exchange offers, recapitalization, restructuring or similar transactions allocable to the Company. The Company incurred fees under this arrangement of \$8,000 for the three months ended March 31, 2005. The Company did not incur any fees for the three months ended March 31, 2004.

Centennial Cable of Puerto Rico The Company is party to an agreement with Centennial Cable of Puerto Rico, which Hicks Muse has a substantial interest, in which Centennial provides the Company advertising and promotional services. The Company incurred fees under this arrangement of \$29,000 and \$20,000 for the three months ended March 31, 2005 and 2004, respectively.

Banks Broadcasting Inc. The Company has entered into a management services agreement with Banks Broadcasting to provide specified management, engineering and related services for a fixed fee. Hicks Muse has substantial economic interest in 21 st Century Group, LLC which owns 18% of Banks Broadcasting. Prior

LIN TELEVISION CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

to the consolidation of Banks Broadcasting in accordance with FIN 46R, the Company received approximately \$50,000 for the three months ended March 31, 2004 under the management services agreement.

Note 8 – Contingencies:

GECC Note. General Electric Capital Corporation (“GECC”) provided debt financing in connection with the formation of the joint venture with NBC in the form of an \$815.5 million 25-year non-amortizing senior secured note bearing an initial interest rate of 8.0% per annum (“the GECC note”). During the last five years, the joint venture has produced cash flows to support the interest payments and to maintain minimum levels of required working capital reserves. In addition, the joint venture has made cash distributions to the Company and to NBC from the excess cash generated by the joint venture of approximately \$34.5 million on average each year during the past three years. Accordingly, the Company expects that the interest payments on the GECC note will be serviced solely by the cash flow of the joint venture. The GECC note is not an obligation of the Company, however, the note is recourse to the joint venture with NBC and is guaranteed by LIN TV Corp. If the joint venture were unable to pay principal or interest on the GECC note and GECC could not otherwise recoup its principal from the joint venture, GECC could require LIN TV Corp. to pay the shortfall of any outstanding amounts under the GECC note. If this happened, the Company could experience material adverse consequences, including:

GECC could force LIN TV Corp. to sell the stock of LIN Television held by LIN TV Corp. to satisfy outstanding amounts under the GECC note;

if more than 50% of the ownership of LIN Television had to be sold to satisfy the GECC Note, it could cause an acceleration of the Company’s credit facility and notes; and

if the GECC note is prepaid because of an acceleration on default or otherwise, or if the note is repaid at maturity, the Company may incur a substantial tax liability.

The joint venture is approximately 80% owned by NBC, and NBC controls the operations of the stations through a management contract. Therefore, the operation and profitability of those stations and the likelihood of a default under the GECC note are primarily within NBC’s control.

Note 9 – Retirement Plans:

The Company has a number of noncontributory defined benefit retirement plans covering certain of its employees in the United States and Puerto Rico. Contributions are based on periodic actuarial valuations and are charged to operations on a systematic basis over the expected average remaining service lives of current employees. The net pension expense is assessed in accordance with the advice of professionally qualified actuaries. The benefits under the defined benefit plans are based on years of service and compensation.

The components of the net periodic benefit cost recognized are as follows (in thousands):

	Three Months Ended March 31,	
	2005	2004
Service cost	\$549	\$500
Interest cost	1,350	1,401
Expected return on plan assets	(1,435)	(1,450)
Amortization of prior service cost	30	39
Amortization of net loss	241	80
Net periodic benefit cost	<u>\$735</u>	<u>\$570</u>

LIN TELEVISION CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)

The Company contributed \$200,000 to the plan during the three months ended March 31, 2005 and expects to contribute a total of \$3.0 million during 2005. The Company also has a non-qualified, unfunded Supplemental Excess Retirement Plan (“SERP”) of which the Company paid out to retired employees a total of \$66,000 during the three months ended March 31, 2005.

Note 10 – Recent Accounting Pronouncements

In December 2004, the Financial Accounting Standards Board (FASB) issued SFAS No. 123R, *Share-Based Payment*, which was to be effective for reporting periods beginning after June 15, 2005. In April 2005, the FASB announced that the effective date of SFAS 123(R), has been delayed until the first quarter of 2006. SFAS No. 123R requires the Company to recognize the cost of employee services received in exchange for the Company’s equity instruments. Currently, in accordance with APB Opinion 25, the Company records the intrinsic value of stock based compensation as expense. Accordingly, no compensation expense is currently recognized for fixed stock option plans as the exercise price equals the stock price on the date of grant. Under SFAS No. 123R, the Company will be required to measure compensation expense over the vesting period of the options based on the fair value of the stock options at the date the options are granted. SFAS No. 123R allows for the use of the Black-Scholes or a lattice option-pricing model to value such options. As allowed by SFAS No. 123R, the Company can elect either Modified Prospective Application, which applies the Statement to new awards and modified awards after the effective date, and to any unvested awards as service is rendered on or after the effective date, or Modified Retrospective Application which can apply the effect of the statement to all prior years for which SFAS No. 123 was effective. The Company is currently evaluating which valuation model and method of application will be used.

In March 2005, the SEC staff issued a Staff Accounting Bulletin (“SAB 107”) which express views of the staff regarding the interaction between SFAS No. 123R and certain SEC rules and regulations and provide the staff’s views regarding the valuation of share-based payment arrangements for public companies. In particular, SAB 107 provides guidance related to share-based payment transactions with non-employees, the transition from nonpublic to public entity status, valuation methods (including assumptions such as expected volatility and expected term), the accounting for certain redeemable financial instruments issued under share-based payment arrangements, the classification of compensation expense, non-GAAP financial measures, first-time adoption of SFAS No. 123R in an interim period, capitalization of compensation cost related to share-based payment arrangements, the accounting for income tax effects of share-based payment arrangements upon adoption of SFAS No. 123R, the modification of employee share options prior to adoption of SFAS No. 123R and disclosures in Management’s Discussion and Analysis subsequent to adoption of SFAS No. 123R.

In March 2005, the FASB issued FIN No. 47, “Accounting for Conditional Asset Retirement Obligations - an Interpretation of FASB Statement No. 143” (“FIN 47”), which is effective for all reporting periods ending after December 15, 2005. FIN 47 requires that an entity shall recognize a liability for the fair value of a conditional asset retirement obligation if the fair value of the liability can be reasonable estimated, rather than when the obligation is incurred, generally upon acquisition, construction, or development and/or through the normal operation of the asset as required by SFAS No. 143. An asset retirement obligation would be reasonably estimable if (a) it is evident that the fair value of the obligation is embodied in the acquisition price of the asset, (b) an active market exists for the transfer of the obligation, or (c) sufficient information exists to apply an expected present value technique. The provisions of FIN 47 are not expected to have a material impact on the Company’s consolidated financial statements.

LIN TELEVISION CORPORATION

\$175,000,000

6 1/2% Senior Subordinated Notes due 2013

EXCHANGE AND REGISTRATION RIGHTS AGREEMENT

January 28, 2005

J. P. MORGAN SECURITIES INC.
DEUTSCHE BANK SECURITIES INC.
BANC OF AMERICA SECURITIES LLC
BEAR, STEARNS & CO. INC.
MORGAN STANLEY & CO. INCORPORATED
SCOTIA CAPITAL (USA) INC.

c/o J.P. Morgan Securities Inc.

270 Park Avenue, 5th Floor
New York, New York 10017

Ladies and Gentlemen:

LIN Television Corporation, a Delaware corporation (the "Company"), proposes to issue and sell to J.P. Morgan Securities Inc., Deutsche Bank Securities Inc., Banc of America Securities LLC, Bear Stearns & Co. Inc., Morgan Stanley & Co. Incorporated and Scotia Capital (USA) Inc. (together, the "Initial Purchasers"), upon the terms and subject to the conditions set forth in a purchase agreement dated January 13, 2005 (the "Purchase Agreement") between the Company, the Guarantors identified on the signature pages hereto (together with the Company, the "Issuers") and the Initial Purchasers, \$175,000,000 aggregate principal amount of its 6 1/2% Senior Subordinated Notes due 2013 (the "Notes"). The Notes will be guaranteed on an unsecured senior subordinated basis (the "Guarantees" and, together with the Notes, the "Securities") by the Guarantors. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Purchase Agreement.

As an inducement to the Initial Purchasers to enter into the Purchase Agreement and in satisfaction of a condition to the obligations of the Initial Purchasers thereunder, the Issuers agree with the Initial Purchasers, for the benefit of the holders (including the Initial Purchasers) of the Securities, the Exchange Securities (as defined herein) and the Private Exchange Securities (as defined herein) (collectively, the "Holders"), as follows:

1. Registered Exchange Offer. The Issuers shall (i) use their reasonable best efforts to prepare and, not later than 90 days following the date of original issuance of the Securities (the "Issue Date"), file with the Commission a registration statement (the "Exchange Offer Registration Statement") on an appropriate form under the Securities Act with respect to a proposed offer to the Holders of the Securities (the "Registered Exchange Of-

fer”) to issue and deliver to such Holders, in exchange for the Securities, a like aggregate principal amount of debt securities of the Company that are identical in all material respects to the Notes and are unconditionally guaranteed by the Guarantors (the “Exchange Securities”), except that the Exchange Securities will not contain terms with respect to transfer restrictions, (ii) use their reasonable best efforts to cause the Exchange Offer Registration Statement to become effective under the Securities Act no later than 180 days after the Issue Date and the Registered Exchange Offer to be consummated no later than 225 days after the Issue Date and (iii) keep the Exchange Offer Registration Statement effective for not less than 30 days (or longer, if required by applicable law) after the date on which notice of the Registered Exchange Offer is mailed to the Holders (such period being called the “Exchange Offer Registration Period”). The Exchange Securities will be issued under the Indenture or an indenture (the “Exchange Securities Indenture”) between the Company, the Guarantors party thereto and the Trustee or such other bank or trust company that is reasonably satisfactory to the Initial Purchasers, as trustee (the “Exchange Securities Trustee”), such indenture to be identical in all material respects to the Indenture, except with respect to the transfer restrictions relating to the Securities (as described above).

Upon the effectiveness of the Exchange Offer Registration Statement, the Issuers shall as soon as practicable commence the Registered Exchange Offer, it being the objective of such Registered Exchange Offer to enable each Holder electing to exchange Securities for Exchange Securities (assuming that such Holder (a) is not an affiliate (as defined in Rule 405 under the Securities Act) of the Issuers or an Exchanging Dealer (as defined herein) not complying with the requirements of the next sentence, (b) is not an Initial Purchaser holding Securities that have, or that are reasonably likely to have, the status of an unsold allotment in an initial distribution, (c) acquires the Exchange Securities in the ordinary course of such Holder’s business, and (d) has no arrangements or understandings with any person to participate in the distribution of the Exchange Securities) and to trade such Exchange Securities from and after their receipt without any limitations or restrictions under the Securities Act and without material restrictions under the securities laws of the several states of the United States. Each Issuer, each Initial Purchaser and each Exchanging Dealer acknowledges that, pursuant to current interpretations by the Commission’s staff of Section 5 of the Securities Act, (i) each Holder that is a broker-dealer electing to exchange Securities acquired for its own account as a result of market-making activities or other trading activities for Exchange Securities (an “Exchanging Dealer”) is required to deliver a prospectus containing substantially the information set forth in Annex A hereto on the cover of such prospectus, in Annex B hereto in the “Exchange Offer Procedures” and “Purpose of the Exchange Offer” sections of such prospectus, and in Annex C hereto in the “Plan of Distribution” section of such prospectus in connection with a sale of any such Exchange Securities received by such Exchanging Dealer pursuant to the Registered Exchange Offer and (ii) if any Initial Purchaser elects to sell Private Exchange Securities (as defined below) acquired in exchange for Securities constituting any portion of an unsold allotment, it is required to deliver a prospectus containing the information required by Items 507 and 508 of Regulation S-K under the Securities Act and the Exchange Act (“Regulation S-K”), as applicable, in connection with such sale.

Upon consummation of the Registered Exchange Offer in accordance with this Section 1, the provisions of this Agreement shall continue to apply, *mutatis mutandis*, solely with respect to Transfer Restricted Securities (as defined) that are Private Exchange Securities, Exchange Securities as to which clause (v) of the first paragraph of Section 2 is applicable and Exchange Securities held by Exchanging Dealers, and the Issuers shall have no further obligations to register Transfer Restricted Securities (other than Private Exchange Securities and other than in respect of any Exchange Securities as to which clause (v) of the first paragraph of Section 2 hereof applies) pursuant to Section 2 hereof.

If, prior to the consummation of the Registered Exchange Offer, any Holder holds any Securities acquired by it that have, or that are reasonably likely to be determined to have, the status of an unsold allotment in an initial distribution, or any Holder is not entitled to participate in the Registered Exchange Offer, the Issuers shall, upon the request of any such Holder, simultaneously with the delivery of the Exchange Securities in the Registered Exchange Offer, issue and deliver to any such Holder, in exchange for the Securities held by such Holder (the “Private Exchange”), a like aggregate principal amount of debt securities of the Company and the Guarantors that are identical in all material respects to the Exchange Securities (the “Private Exchange Securities”), except with respect to the transfer restrictions relating to such Private Exchange Securities. The Private Exchange Securities will be issued under the same indenture as the Exchange Securities, and the Company shall use its reasonable best efforts to cause the Private Exchange Securities to bear the same CUSIP number as the Exchange Securities.

In connection with the Registered Exchange Offer, the Issuers shall:

(a) mail to each Holder a copy of the prospectus forming part of the Exchange Offer Registration Statement, together with an appropriate letter of transmittal and related documents;

(b) keep the Registered Exchange Offer open for not less than 30 days (or longer, if required by applicable law) after the date on which notice of the Registered Exchange Offer is mailed to the Holders;

(c) utilize the services of a depository for the Registered Exchange Offer with an address in the Borough of Manhattan, The City of New York;

(d) permit Holders to withdraw tendered Securities at any time prior to the close of business, New York City time, on the last business day on which the Registered Exchange Offer shall remain open; and

(e) otherwise comply in all respects with all laws that are applicable to the Registered Exchange Offer.

As soon as practicable after the close of the Registered Exchange Offer and any Private Exchange, as the case may be, the Issuers shall:

(a) accept for exchange all Securities tendered and not validly withdrawn pursuant to the Registered Exchange Offer and the Private Exchange Offer;

(b) deliver to the Trustee for cancellation all Securities so accepted for exchange; and

(c) cause the Trustee or the Exchange Securities Trustee, as the case may be, promptly to authenticate and deliver to each Holder, Exchange Securities or Private Exchange Securities, as the case may be, equal in principal amount to the Securities of such Holder so accepted for exchange.

The Issuers shall use their reasonable best efforts to keep the Exchange Offer Registration Statement effective and to amend and supplement the prospectus contained therein in order to permit such prospectus to be used by all persons subject to the prospectus delivery requirements of the Securities Act for such period of time as such persons must comply with such requirements in order to resell the Exchange Securities; provided that the Issuers shall make such prospectus and any amendment or supplement thereto available to any broker-dealer for use in connection with any resale of any Exchange Securities for a period of 90 days after the consummation of the Registered Exchange Offer.

The Indenture or the Exchange Securities Indenture, as the case may be, shall provide that the Securities, the Exchange Securities and the Private Exchange Securities shall vote and consent together on all matters as one class and that none of the Securities, the Exchange Securities or the Private Exchange Securities will have the right to vote or consent as a separate class on any matter.

Interest on each Exchange Security and Private Exchange Security issued pursuant to the Registered Exchange Offer and in the Private Exchange will accrue from the last interest payment date on which interest was paid on the Securities surrendered in exchange therefor or, if no interest has been paid on the Securities, from the Issue Date.

Each Holder participating in the Registered Exchange Offer shall be required to represent to the Issuers that at the time of the consummation of the Registered Exchange Offer (i) any Exchange Securities received by such Holder will be acquired in the ordinary course of business, (ii) such Holder will have no arrangements or understanding with any person to participate in the distribution of the Securities or the Exchange Securities within the meaning of the Securities Act and (iii) such Holder is not an affiliate (as defined in Rule 405 under the Securities Act) of any of the Issuers or, if it is such an affiliate, such Holder will comply with the registration and prospectus delivery requirements of the Securities Act to the extent applicable.

Notwithstanding any other provisions hereof, each of the Issuers will ensure that (i) any Exchange Offer Registration Statement and any amendment thereto and any prospectus forming part thereof and any supplement thereto complies in all material respects with the Securities Act and the rules and regulations of the Commission thereunder, (ii) any Exchange Offer Registration Statement and any amendment thereto does not, when it be-

comes effective, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and (iii) any prospectus forming part of any Exchange Offer Registration Statement, and any supplement to such prospectus, does not, as of the consummation of the Registered Exchange Offer, include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

2. Shelf Registration. If (i) because of any change in law or applicable interpretations thereof by the Commission's staff the Issuers are not permitted to effect the Registered Exchange Offer as contemplated by Section 1 hereof, or (ii) any Securities validly tendered pursuant to the Registered Exchange Offer are not exchanged for Exchange Securities within 225 days after the Issue Date, or (iii) any Initial Purchaser so requests in writing within 90 days after the Registered Exchange Offer with respect to Private Exchange Securities, or (iv) any applicable law or interpretations do not permit any Holder to participate in the Registered Exchange Offer, or (v) any Holder that participates in the Registered Exchange Offer does not receive freely transferable Exchange Securities in exchange for tendered Securities, or (vi) the Issuers so elect, then the following provisions shall apply:

(a) The Issuers shall use their reasonable best efforts to file as promptly as practicable (but in no event more than 90 days after so required or requested, in each case pursuant to this Section 2) with the Commission, and thereafter shall use their reasonable best efforts to cause to be declared effective, a shelf registration statement on an appropriate form under the Securities Act relating to the offer and sale of the Transfer Restricted Securities by the Holders thereof from time to time in accordance with the methods of distribution set forth in such registration statement (hereafter, a "Shelf Registration Statement") and, together with any Exchange Offer Registration Statement, a "Registration Statement"; provided, however, that no Holder of Securities or Exchange Securities (other than the Initial Purchasers) shall be entitled to have Securities or Exchange Securities held by it covered by such Shelf Registration Statement, unless such Holder agrees in writing to be bound by all of the provisions of this Agreement applicable to such Holder.

(b) The Issuers shall use their reasonable best efforts to keep the Shelf Registration Statement continuously effective in order to permit the prospectus forming part thereof to be used by Holders of Transfer Restricted Securities for a period ending on the earlier of two years from the Issue Date or the date on which all the Transfer Restricted Securities covered by the Shelf Registration Statement have been sold pursuant thereto (in any such case, such period being called the "Shelf Registration Period"). The Issuers shall be deemed not to have used their reasonable best efforts to keep the Shelf Registration Statement effective during the requisite period if they voluntarily take any action that would result in Holders of Transfer Restricted Securities covered thereby not being able to offer and sell such Transfer Restricted Securities during that period, unless such action is required by applicable law; provided, however, that the foregoing shall not apply to actions taken by the Issuers in good faith and for valid business reasons (not including avoidance of their

obligations hereunder), including, without limitation, the acquisition or divestiture of assets, so long as the Issuers within 120 days thereafter comply with the requirements of Section 4(j) hereof. Any such period during which the Issuers fail to keep the Shelf Registration Statement effective and usable for offers and sales of Securities and Exchange Securities is referred to as a "Suspension Period." A Suspension Period shall commence on and include the date that the Issuers give notice that the Shelf Registration Statement is no longer effective or the prospectus included therein is no longer usable for offers and sales of Securities and Exchange Securities and shall end on the date when each Holder of Securities and Exchange Securities covered by such registration statement either receives the copies of the supplemented or amended prospectus contemplated by Section 4(j) hereof or is advised in writing by the Issuers that use of the prospectus may be resumed. If one or more Suspension Periods occur, the two-year period referenced above shall be extended by the aggregate of the number of days included in each Suspension Period.

(c) Notwithstanding any other provisions hereof, the Issuers will ensure that (i) any Shelf Registration Statement and any amendment thereto and any prospectus forming part thereof and any supplement thereto complies in all material respects with the Securities Act and the rules and regulations of the Commission thereunder, (ii) any Shelf Registration Statement and any amendment thereto (in either case, other than with respect to information included therein in reliance upon or in conformity with written information furnished to the Issuers by or on behalf of any Holder specifically for use therein (the "Holders' Information")) does not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading and (iii) any prospectus forming part of any Shelf Registration Statement, and any supplement to such prospectus (in either case, other than with respect to Holders' Information), does not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

3. Liquidated Damages. (a) The parties hereto agree that the Holders of Transfer Restricted Securities will suffer damages if the Issuers fail to fulfill their obligations under Section 1 or Section 2, as applicable, and that it would not be feasible to ascertain the extent of such damages. Accordingly, if (i) the applicable Registration Statement is not filed with the Commission on or prior to 90 days after the Issue Date, (ii) the Exchange Offer Registration Statement or the Shelf Registration Statement, as the case may be, is not declared effective within 180 days after the Issue Date (or in the case of a Shelf Registration Statement required to be filed in response to a change in law or the applicable interpretations of the Commission's staff, if later, within 45 days after publication of the change in law or interpretation), (iii) the Registered Exchange Offer is not consummated on or prior to 225 days after the Issue Date, or (iv) the Shelf Registration Statement is filed and declared effective within 180 days after the Issue Date (or in the case of a Shelf Registration Statement required to be filed in response to a change in law or the applicable interpretations of the Commission's staff, if later, within 45 days after publication of the change in law or interpretation) but shall thereafter cease to be effective (at any time that the Issuers are obligated to

maintain the effectiveness thereof) without being succeeded within 60 days by an additional Registration Statement filed and declared effective (each such event referred to in clauses (i) through (iv), a “Registration Default”), the Company and the Guarantors (other than LIN TV Corp.) will, jointly and severally, be obligated to pay liquidated damages to each Holder of Transfer Restricted Securities, during the period of one or more such Registration Defaults, in an amount equal to \$ 0.10 per week per \$1,000 principal amount of Transfer Restricted Securities held by such Holder until (a) the applicable Registration Statement is filed, (b) the Exchange Offer Registration Statement is declared effective, (c) the Registered Exchange Offer is consummated, (d) the Shelf Registration Statement is declared effective, (e) the Shelf Registration Statement again becomes effective, or (f) the Shelf Registration Period shall have ended, as the case may be. Following the cure of all Registration Defaults, the accrual of liquidated damages will cease. As used herein, the term “Transfer Restricted Securities” means (i) each Security until the date on which such Security has been exchanged for a freely transferable Exchange Security in the Registered Exchange Offer, (ii) each Security or Private Exchange Security until the date on which it has been effectively registered under the Securities Act and disposed of in accordance with the Shelf Registration Statement or (iii) each Security or Private Exchange Security until the date on which it is distributed to the public pursuant to Rule 144 under the Securities Act or is saleable pursuant to Rule 144(k) under the Securities Act. Notwithstanding anything to the contrary in this Section 3(a), the Company and the Guarantors (other than LIN TV Corp.) shall not be required to pay liquidated damages to a Holder of Transfer Restricted Securities if such Holder failed to comply with its obligations to make the representations set forth in the second to last paragraph of Section 1 or failed to provide the information required to be provided by it, if any, pursuant to Section 4(n).

(b) The Issuers shall notify the Trustee and the Paying Agent under the Indenture immediately upon the happening of each and every Registration Default. The Company and the Guarantors (other than LIN TV Corp.) shall, jointly and severally, pay the liquidated damages due on the Transfer Restricted Securities by depositing with the Paying Agent (which may not be any of the Issuers for these purposes), in trust, for the benefit of the Holders thereof, prior to 10:00 a.m., New York City time, on the next interest payment date specified by the Indenture and the Securities, sums sufficient to pay the liquidated damages then due. The liquidated damages due shall be payable on each interest payment date specified by the Indenture and the Securities to the Holder of record entitled to receive the interest payment to be made on such date. Each obligation to pay liquidated damages shall be deemed to accrue from and including the date of the applicable Registration Default.

(c) The parties hereto agree that the liquidated damages provided for in this Section 3 constitute a reasonable estimate of and are intended to constitute the sole damages that will be suffered by Holders of Transfer Restricted Securities by reason of the failure of (i) the Shelf Registration Statement or the Exchange Offer Registration Statement to be filed, (ii) the Shelf Registration Statement to remain effective or (iii) the Exchange Offer Registration Statement to be declared effective and the Registered Exchange Offer to be consummated, in each case to the extent required by this Agreement.

4. Registration Procedures. In connection with any Registration Statement, the following provisions shall apply:

(a) The Issuers shall (i) furnish to each Initial Purchaser, prior to the filing thereof with the Commission, a copy of the Registration Statement and each amendment thereof and each supplement, if any, to the prospectus included therein and shall use its reasonable best efforts to reflect in each such document, when so filed with the Commission, such comments as any Initial Purchaser may reasonably propose; (ii) if applicable, include the information set forth in Annex A hereto on the cover, in Annex B hereto in the “Exchange Offer Procedures” and “Purpose of the Exchange Offer” sections and in Annex C hereto in the “Plan of Distribution” section of the prospectus forming a part of the Exchange Offer Registration Statement, and include the information set forth in Annex D hereto in the Letter of Transmittal delivered pursuant to the Registered Exchange Offer; and (iii) if requested by any Initial Purchaser, include the information required by Items 507 or 508 of Regulation S-K, as applicable, in the prospectus forming a part of the Exchange Offer Registration Statement.

(b) The Issuers shall advise each Initial Purchaser, each Exchanging Dealer and the Holders (if applicable) and, if requested by any such person, confirm such advice in writing (which advice pursuant to clauses (ii)-(v) hereof shall be accompanied by an instruction to suspend the use of the prospectus until the requisite changes have been made):

(i) when any Registration Statement and any amendment thereto has been filed with the Commission and when such Registration Statement or any post-effective amendment thereto has become effective;

(ii) of any request by the Commission for amendments or supplements to any Registration Statement or the prospectus included therein or for additional information;

(iii) of the issuance by the Commission of any stop order suspending the effectiveness of any Registration Statement or the initiation of any proceedings for that purpose;

(iv) of the receipt by the Issuers of any notification with respect to the suspension of the qualification of the Securities, the Exchange Securities or the Private Exchange Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose; and

(v) of the happening of any event that requires the making of any changes in any Registration Statement or the prospectus included therein in order that the statements therein are not misleading and do not omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(c) The Issuers will make every reasonable effort to obtain the withdrawal at the earliest possible time of any order suspending the effectiveness of any Registration Statement.

(d) The Issuers will furnish to each Holder of Transfer Restricted Securities included within the coverage of any Shelf Registration Statement, without charge, at least one conformed copy of such Shelf Registration Statement and any post-effective amendment thereto, including financial statements and schedules and, if any such Holder so requests in writing, all exhibits thereto (including those, if any, incorporated by reference).

(e) The Issuers will, during the Shelf Registration Period, promptly deliver to each Holder of Transfer Restricted Securities included within the coverage of any Shelf Registration Statement, without charge, as many copies of the prospectus (including each preliminary prospectus) included in such Shelf Registration Statement and any amendment or supplement thereto as such Holder may reasonably request; and the Issuers consent to the use of such prospectus or any amendment or supplement thereto by each of the selling Holders of Transfer Restricted Securities in connection with the offer and sale of the Transfer Restricted Securities covered by such prospectus or any amendment or supplement thereto.

(f) The Issuers will furnish to each Initial Purchaser and each Exchanging Dealer, and to any other Holder who so requests, without charge, at least one conformed copy of the Exchange Offer Registration Statement and any post-effective amendment thereto, including financial statements and schedules and, if any Initial Purchaser or Exchanging Dealer or any such Holder so requests in writing, all exhibits thereto (including those, if any, incorporated by reference).

(g) The Issuers will, during the Exchange Offer Registration Period or the Shelf Registration Period, as applicable, promptly deliver to each Initial Purchaser, each Exchanging Dealer and such other persons that are required to deliver a prospectus following the Registered Exchange Offer, without charge, as many copies of the final prospectus included in the Exchange Offer Registration Statement or the Shelf Registration Statement and any amendment or supplement thereto as such Initial Purchaser, Exchanging Dealer or other persons may reasonably request; and the Issuers consent to the use of such prospectus or any amendment or supplement thereto by any such Initial Purchaser, Exchanging Dealer or other persons, as applicable, as aforesaid.

(h) Prior to the effective date of any Registration Statement, the Issuers will use their reasonable best efforts to register or qualify, or cooperate with the Holders of Securities, Exchange Securities or Private Exchange Securities included therein and their respective counsel in connection with the registration or qualification of, such Securities, Exchange Securities or Private Exchange Securities for offer and sale under the securities or blue sky laws of such jurisdictions as any such Holder reasonably requests in writing and do any and all other acts or things necessary or

advisable to enable the offer and sale in such jurisdictions of the Securities, Exchange Securities or Private Exchange Securities covered by such Registration Statement; provided that the Issuers will not be required to qualify generally to do business in any jurisdiction where they are not then so qualified or to take any action which would subject them to general service of process or to taxation in any such jurisdiction where they are not then so subject.

(i) The Issuers will cooperate with the Holders of Securities, Exchange Securities or Private Exchange Securities to facilitate the timely preparation and delivery of certificates representing Securities, Exchange Securities or Private Exchange Securities to be sold pursuant to any Registration Statement free of any restrictive legends and in such denominations and registered in such names as the Holders thereof may request in writing prior to sales of Securities, Exchange Securities or Private Exchange Securities pursuant to such Registration Statement.

(j) If (i) any event contemplated by Section 4(b)(ii) through (v) occurs during the period for which the Issuers are required to maintain an effective Registration Statement, or (ii) any Suspension Period remains in effect more than 120 days after the occurrence thereof, the Issuers will promptly prepare and file with the Commission a post-effective amendment to the Registration Statement or a supplement to the related prospectus or file any other required document so that, as thereafter delivered to purchasers of the Securities, Exchange Securities or Private Exchange Securities from a Holder, the prospectus will not include an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(k) Not later than the effective date of the applicable Registration Statement, the Issuers will provide a CUSIP number for the Securities, the Exchange Securities and the Private Exchange Securities, as the case may be, and provide the applicable trustee with printed certificates for the Securities, the Exchange Securities or the Private Exchange Securities, as the case may be, in a form eligible for deposit with The Depository Trust Company.

(l) Each of the Issuers will comply with all applicable rules and regulations of the Commission and will make generally available to its security holders as soon as practicable after the effective date of the applicable Registration Statement an earnings statement satisfying the provisions of Section 11(a) of the Securities Act; provided that in no event shall such earnings statement be delivered later than 45 days after the end of a 12-month period (or 90 days, if such period is a fiscal year) beginning with the first month of such Issuer's first fiscal quarter commencing after the effective date of the applicable Registration Statement, which statement shall cover such 12-month period.

(m) The Issuers will cause the Indenture or the Exchange Securities Indenture, as the case may be, to be qualified under the Trust Indenture Act as required by applicable law in a timely manner.

(n) The Issuers may require each Holder of Transfer Restricted Securities to be registered pursuant to any Shelf Registration Statement to furnish to the Issuers such information concerning the Holder and the distribution of such Transfer Restricted Securities as the Issuers may from time to time reasonably require for inclusion in such Shelf Registration Statement, and the Issuers may exclude from such registration the Transfer Restricted Securities of any Holder that fails to furnish such information within a reasonable time after receiving such request.

(o) In the case of a Shelf Registration Statement, each Holder of Transfer Restricted Securities to be registered pursuant thereto agrees by acquisition of such Transfer Restricted Securities that, upon receipt of any notice from the Issuers (i) of a Suspension Period under Section 2(b) hereof or (ii) pursuant to Section 4(b)(ii) through (v) hereof, such Holder will discontinue disposition of such Transfer Restricted Securities until such Holder's receipt of (x) notice that the Suspension Period has ended or (y) copies of the supplemental or amended prospectus contemplated by Section 4(j) hereof, as the case may be, or until advised in writing (the "Advice") by the Issuers that the use of the applicable prospectus may be resumed. If the Issuers shall give any notice under Section 4(b)(ii) through (v) during the period that the Issuers are required to maintain an effective Registration Statement (the "Effectiveness Period"), such Effectiveness Period shall be extended by the number of days during such period from and including the date of the giving of such notice to and including the date when each seller of Transfer Restricted Securities covered by such Registration Statement shall have received (x) the copies of the supplemental or amended prospectus contemplated by Section 4(j) (if an amended or supplemental prospectus is required) or (y) the Advice (if no amended or supplemental prospectus is required).

(p) In the case of a Shelf Registration Statement, the Issuers shall enter into such customary agreements (including, if requested, an underwriting agreement in customary form) and take all such other action, if any, as Holders of a majority in aggregate principal amount of the Securities, Exchange Securities and Private Exchange Securities being sold or the managing underwriters (if any) shall reasonably request in order to facilitate any disposition of Securities, Exchange Securities or Private Exchange Securities pursuant to such Shelf Registration Statement.

(q) In the case of a Shelf Registration Statement, the Issuers shall (i) make reasonably available for inspection by a representative of, and Special Counsel (as defined below) acting for, Holders of a majority in aggregate principal amount of the Securities, Exchange Securities and Private Exchange Securities being sold and any underwriter participating in any disposition of Securities, Exchange Securities or Private Exchange Securities pursuant to such Shelf Registration Statement, all relevant financial and other records, pertinent corporate documents and properties of the Issuers and their respective subsidiaries and (ii) use their reasonable best efforts to have their officers, directors, employees, accountants and counsel supply all relevant information reasonably requested by such representative, Special Counsel or any such underwriter (an "Inspector") in connection with such Shelf Registration Statement; provided that the Inspectors shall first agree in writing with the Company that

any information that is reasonably designated by the Company as confidential at the time of delivery of such information shall be kept confidential by such persons and shall be used solely for the purposes of exercising rights under this Agreement, unless (i) disclosure of such information is required by court or administrative order or is necessary to respond to inquiries of regulatory authorities, (ii) disclosure of such information is required by law (including any disclosure requirements pursuant to federal securities laws in connection with the filing of any Registration Statement or the use of any prospectus referred to in this Agreement), (iii) such information becomes generally available to the public other than as a result of a disclosure or failure to safeguard by any such person, (iv) such information becomes available to any such person from a source other than the Issuers and such source is not bound by a confidentiality agreement, or (v) such information relates to the U.S. federal income tax treatment or U.S. federal income tax structure of the Transactions or materials of any kind relating to such tax treatment or tax structure, including opinions or other tax analyses. Any person legally compelled to disclose any such confidential information made available for inspection shall provide the Company with prompt prior written notice of such requirement so that the Company may seek a protective order or other appropriate remedy.

(r) In the case of a Shelf Registration Statement, the Issuers shall, if requested by Holders of a majority in aggregate principal amount of the Securities, Exchange Securities and Private Exchange Securities being sold, their Special Counsel or the managing underwriters (if any) in connection with such Shelf Registration Statement, use their reasonable best efforts to cause (i) their counsel to deliver an opinion relating to the Shelf Registration Statement and the Securities, Exchange Securities or Private Exchange Securities, as applicable, in customary form and (ii) their officers to execute and deliver all customary documents and certificates requested by Holders of a majority in aggregate principal amount of the Securities, Exchange Securities and Private Exchange Securities being sold, their Special Counsel or the managing underwriters (if any). In addition, in the case of a Shelf Registration Statement, the Issuers shall, if requested by Holders of a majority in aggregate principal amount of the Securities, Exchange Securities and Private Exchange Securities being sold, their Special Counsel, or the managing underwriters (if any) in connection with such Shelf Registration Statement, but only if the registration is an underwritten registration, use their reasonable best efforts to cause their independent public accountants to provide a comfort letter or letters in customary form, subject to receipt of appropriate documentation as contemplated, and only if permitted, by Statement of Auditing Standards No. 72.

5. Registration Expenses. The Issuers will, jointly and severally, bear all expenses incurred in connection with the performance of their obligations under Sections 1, 2, 3 and 4 and the Issuers will, jointly and severally, reimburse the Initial Purchasers and the Holders for the reasonable fees and disbursements of one firm of attorneys (in addition to any local counsel) chosen by the Holders of a majority in aggregate principal amount of the Securities, the Exchange Securities and the Private Exchange Securities to be sold pursuant

to each Registration Statement (the “Special Counsel”) acting for the Initial Purchasers or Holders in connection therewith.

6. Indemnification. (a) In the event of a Shelf Registration Statement or in connection with any prospectus delivery pursuant to an Exchange Offer Registration Statement by an Initial Purchaser or Exchanging Dealer, as applicable, the Issuers shall, jointly and severally, indemnify and hold harmless each Holder (including, without limitation, any such Initial Purchaser or Exchanging Dealer), its affiliates, each person who controls such Holder or such affiliates within the meaning of the Securities Act or Exchange Act and their respective officers, directors, employees, representatives and agents (collectively referred to for purposes of this Section 6 and Section 7 as a “Holder”) from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof (including, without limitation, any loss, claim, damage, liability or action relating to purchases and sales of Securities, Exchange Securities or Private Exchange Securities), to which that Holder may become subject, whether commenced or threatened, under the Securities Act, the Exchange Act, any other federal or state statutory law or regulation, at common law or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in any such Registration Statement or any prospectus forming part thereof or in any amendment or supplement thereto or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and shall, jointly and severally, reimburse each Holder promptly upon demand for any legal or other expenses reasonably incurred by that Holder in connection with investigating or defending or preparing to defend against or appearing as a third party witness in connection with any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that the Issuers shall not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with any Holders’ Information; and provided further, however, that with respect to any such untrue statement in or omission from any related preliminary prospectus (as amended or supplemented) or, if amended or supplemented, any related final prospectus (excluding the correcting amendment or supplement), the indemnity agreement contained in this Section 6(a) shall not inure to the benefit of any such Holder from whom the person asserting any such loss, claim, damage, liability or action received Securities, Exchange Securities or Private Exchange Securities to the extent that such loss, claim, damage, liability or action of or with respect to such Holder results from the fact that both (A) a copy of the final prospectus (together with any correcting amendments or supplements) was not sent or given to such person at or prior to the written confirmation of the sale of such Securities, Exchange Securities or Private Exchange Securities to such person and (B) the untrue statement in or omission from any related preliminary prospectus (as amended or supplemented) or, if amended or supplemented, any related final prospectus (excluding the correcting amendment or supplement) was corrected in the final prospectus or, if applicable, an amendment or supplement thereto and the final prospectus (as amended or supplemented) does not contain any other untrue statement or omission or alleged untrue statement or omission of a material fact

unless, in either case, such failure to deliver the final prospectus was a result of non-compliance by the Issuers with Sections 4(d), 4(f) or 4(g).

(b) In the event of a Shelf Registration Statement, each Holder, severally and not jointly, shall indemnify and hold harmless the Issuers, their respective affiliates, each person who controls any such Issuer or any such affiliates within the meaning of the Securities Act or Exchange Act and their respective officers, directors, employees, representatives and agents (collectively referred to for purposes of this Section 6(b) and Section 7 as the "Issuers"), from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof, to which the Issuers may become subject, whether commenced or threatened, under the Securities Act, the Exchange Act, any other federal or state statutory law or regulation, at common law or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in any such Registration Statement or any prospectus forming part thereof or in any amendment or supplement thereto or (ii) the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, but in each case only to the extent that the untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with any Holders' Information furnished to the Issuers by such Holder, and shall reimburse the Issuers for any legal or other expenses reasonably incurred by the Issuers in connection with investigating or defending or preparing to defend against or appearing as a third party witness in connection with any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that no such Holder shall be liable for any indemnity claims hereunder in excess of the amount of net proceeds received by such Holder from the sale of Securities, Exchange Securities or Private Exchange Securities pursuant to such Shelf Registration Statement.

(c) Promptly after receipt by an indemnified party under this Section 6 of notice of any claim or the commencement of any action, the indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party pursuant to Section 6(a) or 6(b), notify the indemnifying party in writing of the claim or the commencement of that action; provided, however, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have under this Section 6 except to the extent that it has been materially prejudiced by such failure; and provided further, however, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have to an indemnified party otherwise than under this Section 6. If any such claim or action shall be brought against an indemnified party, and it shall notify the indemnifying party thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action, the indemnifying party shall not be liable to the indemnified party under this Section 6 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof other than the reasonable costs of investigation; provided, however, that an indemnified party shall have the right to employ its own counsel in any such action, but the fees, ex-

penses and other charges of such counsel for the indemnified party will be at the expense of such indemnified party unless (1) the employment of counsel by the indemnified party has been authorized in writing by the indemnifying party, (2) the indemnified party has reasonably concluded (based upon advice of counsel to the indemnified party) that there may be legal defenses available to it or other indemnified parties that are different from or in addition to those available to the indemnifying party, (3) a conflict or potential conflict exists (based upon advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party) or (4) the indemnifying party has not in fact employed counsel reasonably satisfactory to the indemnified party to assume the defense of such action within a reasonable time after receiving notice of the commencement of the action, in each of which cases the reasonable fees, disbursements and other charges of counsel will be at the expense of the indemnifying party or parties. It is understood that the indemnifying party or parties shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees, disbursements and other charges of more than one separate firm of attorneys (in addition to any local counsel) at any one time for all such indemnified party or parties. Each indemnified party, as a condition of the indemnity agreements contained in Sections 6(a) and 6(b), shall use all reasonable efforts to cooperate with the indemnifying party in the defense of any such action or claim. No indemnifying party shall be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld), but if settled with its written consent or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party (which consent shall not be unreasonably withheld), effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding.

7. Contribution. If the indemnification provided for in Section 6 is unavailable or insufficient to hold harmless an indemnified party under Section 6(a) or 6(b), then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Issuers from the offering and sale of the Securities, on the one hand, and a Holder with respect to the sale by such Holder of Securities, Exchange Securities or Private Exchange Securities, on the other, or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuers on the one hand and such Holder on the other with respect to the statements or omissions that resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Issuers, on the one hand, and a Holder, on the other, with respect to such offering and such sale shall be deemed to be in the same proportion as the total net pro-

ceeds from the offering of the Securities (before deducting expenses) received by or on behalf of the Issuers, on the one hand, bear to the total proceeds received by such Holder with respect to its sale of Securities, Exchange Securities or Private Exchange Securities, on the other. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to the Issuers or information supplied by the Issuers, on the one hand, or to any Holders' Information supplied by such Holder, on the other, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The parties hereto agree that it would not be just and equitable if contributions pursuant to this Section 7 were to be determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss, claim, damage or liability, or action in respect thereof, referred to above in this Section 7 shall be deemed to include, for purposes of this Section 7, any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending or preparing to defend any such action or claim. Notwithstanding the provisions of this Section 7, an indemnifying party that is a Holder of Securities, Exchange Securities or Private Exchange Securities shall not be required to contribute any amount in excess of the amount by which the total price at which the Securities, Exchange Securities or Private Exchange Securities sold by such indemnifying party to any purchaser exceeds the amount of any damages which such indemnifying party has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

8. Rules 144 and 144A. Each of the Issuers shall use its commercially reasonable best efforts to file the reports required to be filed by it under the Securities Act and the Exchange Act in a timely manner and, if at any time such Issuer is not required to file such reports, it will, upon the written request of any Holder of Transfer Restricted Securities, make publicly available other information for so long as necessary to permit sales of such Holder's securities pursuant to Rules 144 and 144A. Each of the Issuers covenants that it will take such further action as any Holder of Transfer Restricted Securities may reasonably request, all to the extent required from time to time to enable such Holder to sell Transfer Restricted Securities without registration under the Securities Act within the limitation of the exemptions provided by Rules 144 and 144A (including, without limitation, the requirements of Rule 144A(d)(4)). Upon the written request of any Holder of Transfer Restricted Securities, each of the Issuers shall deliver to such Holder a written statement as to whether it has complied with such requirements. Notwithstanding the foregoing, nothing in this Section 8 shall be deemed to require any of the Issuers to register any of its securities pursuant to the Exchange Act.

9. Underwritten Registrations. If any of the Transfer Restricted Securities covered by any Shelf Registration Statement are to be sold in an underwritten offering, the investment banker or investment bankers and manager or managers that will administer the offering will be selected by the Holders of a majority in aggregate principal amount of such

Transfer Restricted Securities included in such offering, subject to the consent of the Issuers (which shall not be unreasonably withheld or delayed), and such Holders shall be responsible for all underwriting commissions and discounts in connection therewith.

No person may participate in any underwritten registration hereunder unless such person (i) agrees to sell such person's Transfer Restricted Securities on the basis reasonably provided in any underwriting arrangements approved by the persons entitled hereunder to approve such arrangements and (ii) completes and executes all questionnaires, powers of attorney, indemnities, underwriting agreements and other documents reasonably required under the terms of such underwriting arrangements.

10. Miscellaneous. (a) Amendments and Waivers. The provisions of this Agreement may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given, unless the Issuers have obtained the written consent of Holders of a majority in aggregate principal amount of the Securities, the Exchange Securities and the Private Exchange Securities, taken as a single class. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders whose Securities, Exchange Securities or Private Exchange Securities are being sold pursuant to a Registration Statement and that does not directly or indirectly affect the rights of other Holders may be given by Holders of a majority in aggregate principal amount of the Securities, the Exchange Securities and the Private Exchange Securities being sold by such Holders pursuant to such Registration Statement.

(b) Notices. All notices and other communications provided for or permitted hereunder shall be made in writing by hand-delivery, first-class mail, telecopier or air courier guaranteeing next-day delivery:

(i) if to a Holder, at the most current address given by such Holder to the Issuers in accordance with the provisions of this Section 10(b), which address initially is, with respect to each Holder, the address of such Holder maintained by the Registrar under the Indenture, with a copy in like manner to J.P. Morgan Securities Inc., Deutsche Bank Securities Inc., Banc of America Securities LLC, Bear, Stearns & Co. Inc., Morgan Stanley & Co. Incorporated and Scotia Capital (USA) Inc.

(ii) if to an Initial Purchaser, initially to J.P. Morgan Securities Inc. at its address set forth in the Purchase Agreement; and

(iii) if to the Issuers, initially at the address of the Company set forth in the Purchase Agreement.

All such notices and communications shall be deemed to have been duly given: when delivered by hand, if personally delivered; one business day after being delivered to a next-day air courier; five business days after being deposited in the mail; and when receipt is acknowledged by the recipient's telecopier machine, if sent by telecopier.

(c) Successors and Assigns. This Agreement shall be binding upon the Issuers and their successors and assigns.

(d) Counterparts. This Agreement may be executed in any number of counterparts (which may be delivered in original form or by telecopier) and by the parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

(e) Definition of Terms. For purposes of this Agreement, (a) the term "business day" means any day on which the New York Stock Exchange, Inc. is open for trading, (b) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act and (c) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act.

(f) Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(g) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to conflicts of law provisions thereof to the extent the application of the laws of another jurisdiction would be required thereby.

(h) Remedies. In the event of a breach by the Issuers or by any Holder of any of their obligations under this Agreement, each Holder or the Issuers, as the case may be, in addition to being entitled to exercise all rights granted by law, including recovery of damages (other than the recovery of damages for a breach by the Issuers of their obligations under Sections 1 or 2 hereof for which liquidated damages have been paid pursuant to Section 3 hereof), will be entitled to specific performance of its rights under this Agreement. The Issuers and each Holder agree that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of any of the provisions of this Agreement and hereby further agree that, in the event of any action for specific performance in respect of such breach, it shall waive the defense that a remedy at law would be adequate.

(i) No Inconsistent Agreements. The Issuers represent, warrant and agree that (i) they have not entered into, and shall not, on or after the date of this Agreement, enter into, any agreement that is inconsistent with the rights granted to the Holders in this Agreement or otherwise conflicts with the provisions hereof, (ii) they have not previously entered into any agreement which remains in effect granting any registration rights with respect to any of their debt securities to any person except for the obligation to maintain the effectiveness of the Registration Statement on Form S-3 relating to the Company's 2.50% Exchangeable Senior Subordinated Debentures due 2033 and (iii) without limiting the generality of the foregoing, without the written consent of the Holders of a majority in aggregate principal amount of the then outstanding Transfer Restricted Securities, they shall not grant to any person the right to request any of the Issuers to register any debt securities of such Issuer under the Securities Act unless the rights so granted are not in conflict or inconsistent with the provisions of this Agreement.

(j) No Piggyback on Registrations. Neither the Issuers nor any of their respective security holders (other than the Holders of Transfer Restricted Securities in such capacity) shall have the right to include any securities of the Issuers in any Shelf Registration or Registered Exchange Offer other than Transfer Restricted Securities.

(k) Severability. The remedies provided herein are cumulative and not exclusive of any remedies provided by law. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their reasonable best efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

[Remainder of page intentionally left blank]

Please confirm that the foregoing correctly sets forth the agreement between the Issuers and the Initial Purchasers.

Very truly yours,

LIN TELEVISION CORPORATION

By: _____
Name:
Title:

LIN TV CORP.,
as Guarantor

By: _____
Name:
Title:

AIRWAVES, INC.
KXAN, INC.
KXTX HOLDINGS, INC.
LINBENCO, INC.
LIN SPORTS, INC.
LIN TELEVISION OF SAN JUAN, INC.
LIN TELEVISION OF TEXAS, INC.
NORTH TEXAS BROADCASTING
CORPORATION
PRIMELAND TELEVISION, INC.
WAPA AMERICA, INC.
WNJX-TV, INC.
WOOD TELEVISION, INC.
WTNH BROADCASTING, INC.
TVL BROADCASTING, INC.
as Guarantors

By: _____
Name:
Title:

TELEVICENTRO OF PUERTO RICO, LLC,
as a Guarantor

By: LIN Television of San Juan, Inc.,
its Managing Member

By: _____
Name:
Title:

INDIANA BROADCASTING, LLC
LIN AIRTIME, LLC
PROVIDENCE BROADCASTING, LLC
WAVY BROADCASTING, LLC
WIVB BROADCASTING, LLC
WOOD LICENSE CO., LLC
WWLP BROADCASTING, LLC,
as Guarantors

By: LIN Television Corporation,
its Managing Member

By: _____
Name:
Title:

LIN TELEVISION OF TEXAS, L.P.,
as a Guarantor

By: LIN Television of Texas, Inc.,
its General Partner

By: _____
Name:
Title:

TVL BROADCASTING OF RHODE ISLAND, LLC
WDTN BROADCASTING, LLC
WUPW BROADCASTING, LLC,
as Guarantors

By: TVL Broadcasting, Inc.,
its Managing Member

By: _____
Name:
Title:

Accepted by:

J.P. MORGAN SECURITIES INC.

For itself and on behalf of the several
Initial Purchasers named in Schedule I hereto.

By: _____
Authorized Signatory

Initial Purchasers

J.P. Morgan Securities Inc.
Deutsche Bank Securities Inc.
Banc of America Securities LLC
Bear, Stearns & Co. Inc.
Morgan Stanley & Co. Incorporated
Scotia Capital (USA) Inc.

Each broker-dealer that receives Exchange Securities for its own account pursuant to the Registered Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Securities. The Letter of Transmittal states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act. This Prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Securities received in exchange for Securities where such Securities were acquired by such broker-dealer as a result of market-making activities or other trading activities. The Issuers have agreed that, for a period of 90 days after the Expiration Date (as defined herein), they will make this Prospectus available to any broker-dealer for use in connection with any such resale. See “Plan of Distribution.”

Each broker-dealer that receives Exchange Securities for its own account in exchange for Securities, where such Securities were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Securities. See “Plan of Distribution.”

PLAN OF DISTRIBUTION

Each broker-dealer that receives Exchange Securities for its own account pursuant to the Registered Exchange Offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Securities. This Prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of Exchange Securities received in exchange for Securities where such Securities were acquired as a result of market-making activities or other trading activities. The Issuers have agreed that, for a period of 90 days after the Expiration Date, they will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. In addition, until [DATE], all dealers effecting transactions in the Exchange Securities may be required to deliver a prospectus.

The Issuers will not receive any proceeds from any sale of Exchange Securities by broker-dealers. Exchange Securities received by broker-dealers for their own account pursuant to the Registered Exchange Offer may be sold from time to time in one or more transactions in the over-the-counter market, in negotiated transactions, through the writing of options on the Exchange Securities or a combination of such methods of resale, at market prices prevailing at the time of resale, at prices related to such prevailing market prices or at negotiated prices. Any such resale may be made directly to purchasers or to or through brokers or dealers who may receive compensation in the form of commissions or concessions from any such broker-dealer or the purchasers of any such Exchange Securities. Any broker-dealer that resells Exchange Securities that were received by it for its own account pursuant to the Registered Exchange Offer and any broker or dealer that participates in a distribution of such Exchange Securities may be deemed to be an "underwriter" within the meaning of the Securities Act and any profit on any such resale of Exchange Securities and any commission or concessions received by any such persons may be deemed to be underwriting compensation under the Securities Act. The Letter of Transmittal states that, by acknowledging that it will deliver and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an "underwriter" within the meaning of the Securities Act.

For a period of 90 days after the Expiration Date the Issuers will promptly send additional copies of this Prospectus and any amendment or supplement to this Prospectus to any broker-dealer that requests such documents in the Letter of Transmittal. The Issuers have agreed to pay all expenses incident to the Registered Exchange Offer (including the expenses of one counsel for the Holders of the Securities) other than commissions or concessions of any broker-dealers and will indemnify the Holders of the Securities (including any broker-dealers) against certain liabilities, including liabilities under the Securities Act.

CHECK HERE IF YOU ARE A BROKER-DEALER AND WISH TO RECEIVE 10 ADDITIONAL COPIES OF THE PROSPECTUS AND 10 COPIES OF ANY AMENDMENTS OR SUPPLEMENTS THERETO.

Name: _____

Address: _____

If the undersigned is not a broker-dealer, the undersigned represents that it is not engaged in, and does not intend to engage in, a distribution of Exchange Securities. If the undersigned is a broker-dealer that will receive Exchange Securities for its own account in exchange for Securities that were acquired as a result of market-making activities or other trading activities, it acknowledges that it will deliver a prospectus in connection with any resale of such Exchange Securities; however, by so acknowledging and by delivering a prospectus, the undersigned will not be deemed to admit that it is an “underwriter” within the meaning of the Securities Act.

LIN TV CORP.
AMENDED AND RESTATED
2002 STOCK PLAN

1. PURPOSE

LIN TV Corporation, a Delaware corporation (herein, together with its successors, referred to as the “Company”), by means of this Amended and Restated 2002 Stock Plan (the “Plan”), desires to afford certain individuals and key employees of the Company and any subsidiary corporation thereof now existing or hereafter formed or acquired (such subsidiary corporations sometimes referred to herein as “Related Entities”) who are responsible for the continued growth of the Company an opportunity to acquire a proprietary interest in the Company, and thus to create in such persons an increased interest in and a greater concern for the welfare of the Company and any Related Entities.

The stock options described in Sections 6 and 9 (the “Options”), and the shares of Common Stock (as hereinafter defined) acquired pursuant to the exercise of such Options, shares of Common Stock awarded as described in Section 7 hereof (“Stock Awards”), and Performance-Based Awards (as hereinafter defined) granted as described in Section 8 hereof are a matter of separate inducement and are not in lieu of any salary or other compensation for services. As used in the Plan, the terms “parent corporation” and “subsidiary corporation” shall mean, respectively, a corporation within the definition of such terms contained in Sections 424(e) and 424(f), respectively, of the Internal Revenue Code of 1986, as amended (the “Code”).

2. ADMINISTRATION

The Plan shall be administered by the Compensation Committee of the Board of Directors of the Company (“Board of Directors”) or by any other committee appointed by the Board of Directors of the Company to administer this Plan (the “Committee”); provided that the Board of Directors shall act as the Committee if no such committee is appointed by the Board of Directors; further provided that, the entire Board of Directors may act as the Committee if it chooses to do so. The number of individuals that shall constitute the Committee shall be determined from time to time by a majority of all the members of the Board of Directors, and, unless that majority of the Board of Directors determines otherwise, shall consist of not less than two (2) members who shall be (i) “Non-Employee Directors” within the meaning of Rule 16b-3(b)(3) (or any successor rule) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and (ii) “outside directors” within the meaning of Treasury Regulation Section 1.162-27(e)(3) under Section 162(m) of the Code.

A majority of the Committee shall constitute a quorum (or if the Committee consists of only two members, then both members shall constitute a quorum), and subject to the provisions of Section 5, the acts of a majority of the members present at any meeting at which a quorum is present, or acts approved in writing by all members of the Committee, shall be the acts of the Committee.

The members of the Committee shall serve at the pleasure of the Board of Directors, which shall have the power, at any time and from time to time, to remove members from or add members to the Committee. Removal from the Committee may be with or without cause. Any individual serving as a member of the Committee shall have the right to resign from membership in the Committee by written notice to the Board of Directors. The Board of Directors, and not the remaining members of the Committee, shall have the power and authority to fill vacancies on the

Committee, however caused. The Board of Directors shall promptly fill any vacancy that causes the number of members of the Committee to be below two.

3. SHARES AVAILABLE

a. **Basic Limitation.** Subject to the adjustments provided in Section 11 hereof, the maximum aggregate number of shares of Class A Common Stock, par value \$.01 per share (“Common Stock”), of the Company (“Shares”) in respect of which Options or Stock Awards may be granted for all purposes under the Plan shall be 6,300,000 Shares. Options granted under the Plan may be fulfilled in accordance with the terms of the Plan with (i) authorized and unissued Shares, (ii) issued Shares held in the Company’s treasury, or (iii) issued Shares reacquired by the Company, in each situation as the Board of Directors or the Committee may determine from time to time.

b. **Individual Limitation.** Subject to the adjustments under Section 11 or Section 13 hereof, a Participant shall not be granted an Option or Stock Award under the Plan and such Option or Stock Award shall not vest with respect to more than 350,000 Shares in any calendar year to the extent such Option or Stock Award is intended to satisfy the requirements applicable to Performance-Based Awards under Section 8 hereof. The limitation in this Section 3(b) shall not apply to Options or Stock Awards that are not intended to satisfy the requirements of “qualified performance-based compensation” under Section 162(m) of the Code.

c. **Source of Shares.** If, for any reason, any Shares as to which Options have been granted cease to be subject to such Options (including as a result of the expiration, termination, cancellation, or forfeiture of such Option) or any Shares acquired pursuant to a Stock Award are returned to the Company (including as a result of a forfeiture of such Shares pursuant to the terms of the Stock Award), such Shares shall thereafter be available for the grant of Options or Stock Awards under the Plan.

d. **Certain Acquisitions.** In connection with the acquisition of any business by the Company or any of its subsidiaries or Affiliates, any outstanding option grants, stock awards or other similar rights pertaining to such business may be assumed or replaced by Options or Stock Awards under the Plan upon such terms and conditions as the Committee determines.

4. ELIGIBILITY AND BASES OF PARTICIPATION

a. **Key Employees.** Grants of Incentive Stock Options (as hereinafter defined), Non-Qualified Stock Options (as hereinafter defined) may be made under the Plan to Key Employees, subject to and in accordance with Section 6 hereof. Stock Awards may be made under the Plan to Key Employees, subject to and in accordance with Section 7 hereof. Performance-Based Awards may be made under the Plan to Key Employees, subject to and in accordance with Section 8 hereof. As used herein, the term “Key Employee” shall mean any employee of the Company or any Related Entity (including officers and directors of the Company or any Related Entity who are also employees of the Company or any Related Entity) who is regularly employed on a salaried basis, who is so employed on the date of such grant, and whom the Committee identifies as having a direct and significant effect on the performance of the Company or any Related Entity.

b. Eligible Non-Employees. Grants of Non-Qualified Stock Options may be made under the Plan to Eligible Non-Employees, subject to and in accordance with Section 9 hereof. Stock Awards may be made under the Plan to Eligible Non-Employees, subject to and in accordance with Section 7 hereof. As used herein, the term “Eligible Non-Employee” shall mean any person or entity of any nature whatsoever, other than a Non-Employee Director of the Company. Such term shall specifically include any individual, a firm, a company, a corporation, a partnership, a trust, or other entity (collectively, a “Person”), that the Committee designates as eligible for a grant of Options or Stock Awards pursuant to this Plan because such Person performs bona fide consulting, advisory, or other services for the Company or any Related Entity (other than services in connection with the offer or sale of securities in a capital-raising transaction) and whom the Board of Directors or the Committee determines has a direct and significant effect on the financial development of the Company or any Related Entity.

c. No Right to Become a Participant. The adoption of this Plan shall not be deemed to give any Person a right to be granted any Options or Stock Awards, including Performance-Based Awards. The recommendation or selection of a Key Employee or Eligible Non-Employee as a recipient of any Option or Stock Award under the Plan shall not be deemed to entitle the Key Employee or Eligible Non-Employee to such Option prior to the date it is granted or such Stock Award prior to the date it is awarded. Each grant of an Option or Stock Award shall be evidenced by an Option Agreement or Stock Award Agreement, as applicable, executed by the Participant and the Company. The agreement shall include expressly or by reference the terms and conditions set forth in the Plan, and may include such other provisions not inconsistent with the provisions of the Plan as the Committee shall deem advisable.

5. AUTHORITY AND INDEMNIFICATION OF COMMITTEE

a. Authority. Subject to and not inconsistent with the express provisions of the Plan, the Code, including Section 162(m) of the Code, and, if applicable, Rule 16b-3, the Committee shall have plenary authority to:

(i) Determine the Key Employees and Eligible Non-Employees to whom Options and/or Stock Awards shall be granted, the time when such Options and/or Stock Awards shall be granted, the number of Shares subject to such Options or Stock Awards, the purchase price or exercise price of each Option or Stock Award, the period(s) during which an Option shall be exercisable (whether in whole or in part, including whether such Options shall become immediately exercisable upon the consummation of a Change of Control), the period(s) during which restrictions on any Stock Award (if any) shall lapse (including whether restrictions shall immediately lapse upon the consummation of a Change of Control), the terms of any Performance-Based Award (as described in Section 8 hereof), and all other terms and provisions thereof (which need not be identical);

(ii) Require, as a condition to the granting of any Option or Stock Award, that the Person receiving such Option or Stock Award agree not to sell or otherwise dispose of such Option, any Shares acquired pursuant to an Option or Stock Award, or any other “derivative security” (as defined by Rule 16a-1(c) under the Exchange Act) for a period of six months following the date of the grant of such Option or Stock Award, or for such other period as the Committee may determine;

(iii) Provide an arrangement through registered broker-dealers whereby temporary financing may be made available to a Participant by the broker-dealer, under the rules and regulations of the Board of Governors of the Federal Reserve, for the purpose of assisting the Participant in the exercise of an Option and/or the payment of any tax withholding obligations arising in connection with the exercise of an Option, such authority to include the payment by the Company of the commissions of the broker-dealer;

(iv) Provide the establishment of procedures for a Participant to exercise all or a portion of an Option by delivering that number of Shares previously acquired by the Participant and held by the Participant for at least six months prior to the exercise date, having an aggregate Fair Market Value equal to the per Share exercise price of the Option multiplied by the number of Shares subject to the portion of the Option being exercised and to deliver the Shares surrendered by such Participant in payment of such exercise price;

(v) Provide (in accordance with Section 14 hereof or otherwise) the establishment of a procedure whereby a number of Shares or other securities may be withheld from the total number of Shares or other securities to be issued upon exercise of an Option (other than an Incentive Stock Option) or in connection with the granting or vesting of a Stock Award to meet the minimum required tax withholding obligations of a Participant with respect to federal income tax, federal employment tax, and other taxes incurred by a Participant upon such grant, vesting, or exercise or taxes required to be withheld by the Company or a Related Entity in connection with such grant, vesting, or exercise;

(vi) Prescribe, amend, modify and rescind rules and regulations relating to the Plan; and

(vii) Make all determinations permitted or deemed necessary, appropriate or advisable for the administration of the Plan, interpret the terms and conditions of the Plan, any Option Agreement, or any Stock Award Agreement, perform all other acts, exercise all other powers, and establish any other procedures determined by the Committee to be necessary, appropriate, or advisable in administering the Plan or for the conduct of the Committee's business. Any act of the Committee, including interpretations of the provisions of the Plan or any Option Agreement or Stock Award Agreement and determinations under the Plan or any such agreement shall be final, conclusive and binding on all parties.

b. Delegation. The Committee may delegate to one or more of its members, or to one or more agents, such administrative duties as it may deem advisable, and the Committee or any Person to whom it has delegated duties as aforesaid may employ one or more Persons to render advice with respect to any responsibility the Committee or such Person may have under the Plan. The Committee may employ attorneys, consultants, accountants, or other Persons and the Committee, the Company, and its officers and directors shall be entitled to rely upon the advice, opinions, or valuations of any such Persons.

c. Indemnification. No member of the Committee and no employee of the Company shall be liable for any act or failure to act hereunder, except in circumstances involving his or her bad faith, gross negligence or willful misconduct, or for any act or failure to act hereunder by any other member or employee or by any agent to whom duties in connection with the

administration of this Plan have been delegated. The Company shall indemnify members of the Committee and any agent of the Committee who is an employee of the Company, a Subsidiary or an Affiliate against any and all liabilities or expenses to which they may be subjected by reason of any act or failure to act with respect to their duties on behalf of the Plan, except in circumstances involving such person's bad faith, gross negligence or willful misconduct.

6. OPTIONS GRANTED TO KEY EMPLOYEES

Subject to the express provisions of this Plan, the Committee shall have the authority to grant options intended to satisfy the requirements of Section 422 of the Code regarding incentive stock options ("Incentive Stock Options"), to grant non-qualified stock options (options which are not intended to meet the requirements applicable to incentive stock options under Section 422 of the Code) ("Non-Qualified Stock Options"), and to grant both types of Options to Key Employees. No Incentive Stock Option shall be granted pursuant to this Plan after the earlier of ten years from the date of adoption of the Plan or ten years from the date of approval of the Plan by the stockholders of the Company. Incentive Stock Options shall be granted only to Key Employees. The terms and conditions of the Options granted under this Section 6 shall be determined from time to time by the Committee; provided, however, that the Options granted under this Section 6 shall be subject to all terms and provisions of the Plan (other than Section 7, 8 (except with respect to Options granted to "covered employees" within the meaning of Section 162(m) of the Code), or 9 hereof), including the following:

a. Option Exercise Price. Subject to Section 4 hereof, the Committee shall establish the Option exercise price at the time an Option is granted at such amount as the Committee shall determine in its sole discretion; provided, that, in the case of an Incentive Stock Option, such exercise price shall not be less than the Fair Market Value per Share on the date the Option is granted; and provided, further, that in the case of an Incentive Stock Option granted to a person who, at the time such Incentive Stock Option is granted, owns shares of stock of the Company or any Related Entity which possess more than 10% of the total combined voting power of all classes of shares of stock of the Company or of any Related Entity ("Substantial Shareholder"), the Incentive Stock Option exercise price shall not be less than 110% of the Fair Market Value per Share on the date the Incentive Stock Option is granted. The Option exercise price shall be subject to adjustment in accordance with the provisions of Section 11 of the Plan.

b. Option Term. Each Option Agreement shall specify the period during which the Option may be exercised and shall provide that the Option shall expire at the end of such period. The Option Agreement shall provide that the exercise of an Option shall not be permitted more than ten years after the date on which the Option is granted, subject to earlier termination or cancellation as provided in the Plan; provided that, in the case of an Incentive Stock Option granted to a Substantial Shareholder, the exercise of an Incentive Stock Option shall not be permitted more than five years after the date on which the Incentive Stock Option is granted.

c. Payment. The exercise price per Share with respect to each Option shall be payable at the time of such exercise. Such price shall be payable in cash or by any other means acceptable to the Committee, including delivery to the Company of Shares previously acquired by the Participant or by the delivery or withholding of Shares pursuant to a procedure created pursuant to Section 5(a)(iii), (iv) or (v) of the Plan. Shares delivered to or withheld by the

Company in payment of the Option exercise price shall be valued at the Fair Market Value of the Share on the day preceding the date of the exercise of the Option.

d. Exercisability of Stock Option. Unless otherwise determined by the Committee at the time of grant and as provided in an Option Agreement, Options granted hereunder shall become exercisable according to the vesting schedule set forth below:

one-fourth of the Shares subject to the Option shall become exercisable on the first anniversary of the date of grant and shall remain exercisable until the Option expires, terminates, or is cancelled; and

one-fourth of the Shares subject to the Option shall become exercisable on the second anniversary of the date of grant and shall remain exercisable until the Option expires, terminates, or is cancelled; and

one-fourth of the Shares subject to the Option shall become exercisable on the third anniversary of the date of grant and shall remain exercisable until the Option expires, terminates, or is cancelled; and

one-fourth of the Shares subject to the Option shall become exercisable on the fourth anniversary of the date of grant and shall remain exercisable until the Option expires, terminates, or is cancelled.

e. Death. If a Key Employee's employment with the Company or a Related Entity terminates due to the death of such Key Employee, the estate of such Key Employee, or a Person who acquired the right to exercise such Option by bequest or inheritance or by reason of the death of the Key Employee, shall have the right to exercise such Option, to the extent such Option was vested on the date the Key Employee's employment terminated, in accordance with the terms of the Option Agreement at any time and from time to time before the earlier to occur of the following (1) the expiration of 365 days after the date the Key Employee's employment with the Company or a Related Entity terminated by reason of his death, or (2) the expiration date of such Option, unless a shorter period is expressly provided in the Option Agreement evidencing such Option or is established by the Committee pursuant to Section 10 (but in no event after the expiration date of the Option).

f. Disability. If any Key Employee's employment with the Company or a Related Entity terminates because of his Disability (as defined in Section 21 hereof), such Participant or his legal representative shall have the right to exercise the Option, to the extent the Option was vested as of the date the Key Employee's employment terminated, in accordance with the terms of the Option Agreement at any time and from time to time before the earlier to occur of the following (1) the expiration of 365 days after the date the Key Employee's employment with the Company or a Related Entity terminated by reason of his Disability, or (2) the expiration date of such Option, unless a shorter period is expressly provided in such Option or established by the Committee pursuant to Section 10.

g. Termination for Cause. Unless a Key Employee's Option expressly provides otherwise, such Key Employee shall immediately forfeit all rights under his Option, except as to

the Shares previously acquired thereunder, if the employment of such Key Employee with the Company or a Related Entity is terminated by the Company or any Related Entity for Cause (as defined in Section 21 hereof). The determination that Cause for termination exists shall be made by the Committee (unless otherwise agreed to in the Option Agreement or in writing by the Company and the Key Employee).

h. Other Termination of Employment. If the employment of a Key Employee with the Company or a Related Entity terminates for any reason other than those specified in subsection (e), (f) or (g) above, such Key Employee shall have the right to exercise his Option, to the extent the Option was vested as of the date of termination of employment, in accordance with the terms of the Option Agreement, before the first to occur of the following (1) the expiration of 60 days after the date of such termination of employment, or (2) the expiration date of the Option, unless a longer or shorter period is expressly provided in the Option Agreement or is established by the Committee (but in no event shall such period continue after the expiration date of the Option); provided, that no Incentive Stock Option shall be exercisable more than three months after such termination.

i. Maximum Exercise. To the extent the aggregate Fair Market Value (determined as of the time the Option is granted) of Shares subject to a Key Employee's Incentive Stock Options that first become exercisable during a calendar year (under all option plans of the Company and of any Parent Corporation or Subsidiary Corporation) exceeds \$100,000, such Incentive Stock Options shall be treated as Non-Qualified Stock Options. For purposes of the preceding sentence, Incentive Stock Options shall be taken into account in the order in which they are granted. To the extent an Option that is intended to be treated as an Incentive Stock Option does not satisfy any requirement of Section 422 of the Code such Option shall be treated as a Non-Qualified Stock Option.

j. Continuation of Employment. Each Incentive Stock Option shall require the Key Employee to remain in the continuous employ of the Company or any Related Entity from the date of grant of the Incentive Stock Option until no more than three months prior to the date of exercise of the Incentive Stock Option, subject to the maximum exercise periods described in subsections (e), (f), (g), and (h), above. The Committee may, in its sole discretion, permit the exercise of an Option that is intended to be an Incentive Stock Option more than three months after the date the Participant ceases to be employed by the Company or any Related Entity, provided that the Option shall be treated as a Non-Qualified Stock Option if it is exercised more than three months after the date the Key Employee's employment with the Company or a Related Entity terminates, except as provided in subsections (e) and (f), above.

7. STOCK AWARDS

a. Generally. The Committee may, in its discretion, grant Stock Awards (which may include mandatory payment of any bonus in stock) consisting of Shares issued or transferred to Key Employees or Eligible Non-Employees with or without other payments therefor. A Stock Award shall be construed as an offer by the Company to the Participant to purchase the number of Shares subject to the Stock Award at the purchase price, if any, established therefor.

b. Payment of the Purchase Price. If the Stock Award Agreement requires payment for Shares acquired pursuant to the Stock Award, the purchase price of any Shares subject to the Stock Award may be paid in any manner authorized by the Committee, which may include any manner authorized under the Plan for the payment of the exercise price of an Option.

c. Additional Terms. Stock Awards shall be subject to such terms and conditions as the Committee determines appropriate, including restrictions on the sale or other disposition of such shares and the right of the Company to reacquire such shares for no consideration upon termination of the Participant's employment or service within specified periods. The Committee may require the Participant to deliver a duly signed stock power, endorsed in blank, relating to the Common Stock covered by such an Award. The Committee may also require that the stock certificates evidencing such shares be held in custody or bear restrictive legends until the restrictions thereon shall have lapsed.

d. Rights as a Shareholder. The Stock Award Agreement shall specify whether the Participant shall have, with respect to Shares subject to the Stock Award, all of the rights of a holder of Shares, including the right to receive dividends and to vote the Shares.

8. PERFORMANCE-BASED AWARDS

a. Stock Awards or Options. The Committee may, in its discretion, grant Stock Awards or Options that are intended to meet the requirements applicable to "qualified performance-based compensation" for purposes of the exemption from the compensation deduction limitation described in Section 162(m) of the Code ("Performance-Based Awards"). It is the intent of the Company that Performance-Based Awards made to Persons who are "covered employees" within the meaning of Section 162(m) of the Code shall constitute "qualified performance-based compensation" satisfying the requirements of Section 162(m) of the Code. Options granted to Participants who are "covered employees" within the meaning of Section 162(m) of the Code shall be intended to be Performance-Based Awards, except as otherwise provided by the Committee. Accordingly, the provisions of the Plan shall be interpreted in a manner consistent with Section 162(m) of the Code with respect to Performance-Based Awards. If any other provision of the Plan or a Performance-Based Award is intended to but does not comply with, or is inconsistent with, the requirements of Section 162(m) of the Code, such provision shall be construed or deemed amended to the extent necessary to conform to and comply with such requirements. Nothing in this Section 8 shall subject a Performance-Based Award to terms or conditions in excess of the minimum requirements necessary for the Performance-Based Award to comply with the requirements of Section 162(m) of the Code.

b. As determined by the Committee in its sole discretion, either the granting of, vesting of, or other lapsing of restrictions related to Performance-Based Awards shall be based on achievement of hurdle rates and/or growth rates in one or more business criteria that apply to the individual Participant, one or more business units or the Company as a whole. The business criteria shall be as follows, individually or in combination: (i) net earnings; (ii) earnings per share; (iii) net sales growth; (iv) market share; (v) net operating profit; (vi) expense targets; (vii) working capital targets; (viii) operating margin; (ix) return on equity; (x) return on assets; (xi) planning accuracy (as measured by comparing planned results to actual results); (xii) market price per share; (xiii) total return to stockholders and (xiv) broadcast cash flow (as defined

below). Broadcast cash flow is defined as operating income plus corporate expenses plus depreciation and amortization of intangible assets and amortization of program rights plus other non-cash expenses or credits, minus cash program payments. In addition, Performance-Based Awards may include comparisons to the performance of other companies, such performance to be measured by one or more of the foregoing business criteria. Such performance goals may be adjusted to exclude any one or more of (i) extraordinary items, (ii) gains or losses on the dispositions of discontinued operations, (iii) the cumulative effects of changes in accounting principles, (iv) the writedown of any asset, and (v) charges for restructuring and rationalization programs.

c. The per Share exercise price of Performance-Based Awards that are Options shall not be less than the Fair Market Value of a Share on the grant date of such Option.

d. With respect to Performance-Based Awards that are Stock Awards, the Committee shall establish in writing (i) the performance goals applicable to a given period, and such performance goals shall state, in terms of an objective formula or standard, the method for computing the amount of compensation payable to the Participant if such performance goals are obtained and (ii) the individual employees or class of employees to which such performance goals apply no later than ninety (90) days after the commencement of such period (but in no event after twenty-five percent (25%) of such period has elapsed).

e. No Performance-Based Awards shall be payable to or vest with respect to, as the case may be, any Participant for a given period until the Committee certifies in writing that the objective performance goals (and any other material terms) applicable to such period have been satisfied.

f. After establishment of a performance goal, the Committee shall not revise such performance goal or increase the amount of compensation payable thereunder (as determined in accordance with Section 162(m) of the Code) upon the attainment of such performance goal. Notwithstanding the preceding sentence, the Committee may reduce or eliminate the number of Shares subject to a Performance-Based Award or the number of shares of Common Stock vested upon the attainment of such performance goal.

9. OPTIONS GRANTED TO ELIGIBLE NON-EMPLOYEES

Subject to the express provisions of this Plan, the Committee shall have the authority to grant Non-Qualified Stock Options (and not Incentive Stock Options) to Eligible Non-Employees. The terms and conditions of the Non-Qualified Stock Options granted under this Section 9 shall be determined from time to time by the Committee; provided, however, that the Non-Qualified Stock Options granted under this Section 9 shall be subject to all terms and provisions of the Plan (other than Section 6, 7, or 8 (except as otherwise provided in an Option Agreement) hereof), including the following:

a. Option Exercise Price. Subject to Section 4, the Committee shall establish the exercise price of a Non-Qualified Stock Option at the time the Non-Qualified Stock Option is granted at such amount as the Committee shall determine in its sole discretion. The exercise

price of a Non-Qualified Stock Option shall be subject to adjustment in accordance with the provisions of Section 11 of the Plan.

b. Option Term. Each Option Agreement shall specify the period during which the Non-Qualified Stock Option may be exercised and shall provide that the Non-Qualified Stock Option shall expire at the end of such period. No Non-Qualified Stock Option by its terms shall be exercisable after the expiration of ten years after the date of grant of the Non-Qualified Stock Option.

c. Payment. The exercise price per Share subject to a Non-Qualified Stock Option shall be payable at the time of such exercise. Such exercise price shall be payable in cash or by any other means acceptable to the Committee, including delivery to the Company of Shares previously acquired by the Eligible Non-Employee or by the delivery or withholding of Shares pursuant to a procedure created pursuant to Section 5(a)(iii), (iv) or (v) of the Plan. If Shares are delivered to or withheld by the Company in payment of the Non-Qualified Stock Option exercise price, such Shares shall be valued at the Fair Market Value of the Shares on the day preceding the date of the exercise of the Non-Qualified Stock Option.

d. Exercisability of Stock Option. Subject to Section 10 hereof, each Non-Qualified Stock Option shall become exercisable in one or more installments, as the Committee may determine at the time of the grant.

e. Death. If the retention by the Company or any Related Entity of the services of any Eligible Non-Employee terminates because of his death, the estate of such Eligible Non-Employee, or a Person who acquired the right to exercise a Non-Qualified Stock Option by bequest or inheritance or by reason of the death of the Eligible Non-Employee, shall have the right to exercise such Option in accordance with the terms of the Option Agreement to the extent such Option was vested as of the date the Eligible Non-Employee's services terminated because of his death, at any time and from time to time before the earlier to occur of the following (1) the expiration of 365 days after the date of the Eligible Non-Employee's death, or (2) the expiration date of the Option, unless a longer or shorter period is expressly provided in such Option Agreement or established by the Committee pursuant to Section 10 (but in no event after the expiration date of the Option).

f. Disability. If the retention by the Company or any Related Entity of the services of any Eligible Non-Employee terminates because of his disability, as determined by the Committee in its sole discretion, such Eligible Non-Employee or his legal representative shall have the right to exercise a Non-Qualified Stock Option in accordance with the terms of the Option Agreement to the extent the Non-Qualified Stock Option was vested as of the date the Eligible Non-Employee's service with the Company or a Related Entity terminated because of his disability, at any time and from time to time within the earlier to occur of the following (1) the expiration of 365 days after the date of the Eligible Non-Employee's services were terminated, or (2) the expiration date of the Option, unless a longer or shorter period is expressly provided in such Option Agreement or established by the Committee pursuant to Section 10 (but not after the expiration of the Option).

g. Cause. If the retention by the Company or any Related Entity of the services of any Eligible Non-Employee is terminated (i) for Cause, or (ii) as a result of the removal of the Eligible Non-Employee from office as a director of the Company or of any Related Entity for cause action of the stockholders of the Company or such Related Entity in accordance with the by-laws of the Company or such Related Entity, as applicable, and the corporate law of the jurisdiction of incorporation of the Company or such Related Entity, then such Eligible Non-Employee shall forfeit his rights under his Options except as to Shares previously acquired through the exercise of the Option. The determination that Cause for the termination of the Eligible Non-Employee's services exists shall be made by the Committee (unless otherwise provided in the Option Agreement or as otherwise agreed to in writing by the Company and the Eligible Non-Employee).

h. Other Termination of Relationship. If the retention by the Company or any Related Entity of the services of any Eligible Non-Employee terminates for any reason other than those specified in subsections (e), (f), or (g) above, such Participant shall have the right to exercise his or its Non-Qualified Stock Option, to the extent such Option was vested on the date of such termination, in accordance with the terms of the Option Agreement within 60 days after the date of such termination, unless a longer or shorter period is expressly provided in such Option Agreement or established by the Committee pursuant to Section 10 (but not after the expiration date of the Option).

10. CHANGE OF CONTROL

If (i) a Change of Control shall occur, (ii) the Company shall enter into an agreement providing for a Change of Control, or (iii) any member of the HMC Group shall enter into an agreement providing for a Change of Control, then the Committee may declare any or all Options outstanding under the Plan to be exercisable in full, to the extent such Options were not previously exercisable, at such time or times as the Committee shall determine, notwithstanding the express provisions of any Option Agreement; similarly, the Committee may declare that any restrictions applicable to any Stock Award shall completely lapse (to the extent not then lapsed), at such time or times as the Committee shall determine, notwithstanding the terms of any Stock Award Agreement. Each Option accelerated by the Committee pursuant to the preceding sentence shall terminate, notwithstanding any express provision thereof or any other provision of the Plan, on such date (not later than the stated exercise date) as the Committee shall determine.

11. ADJUSTMENT OF SHARES

Unless otherwise expressly provided in a particular Option Agreement or Stock Award Agreement, in the event that, by reason of any merger, consolidation, combination, liquidation, reorganization, recapitalization, stock dividend, stock split, split-up, split-off, spin-off, combination of shares, exchange of shares or other like change in capital structure of the Company (collectively, a "Reorganization"), the Common Stock is substituted, combined, or changed into any cash, property, or other securities, or the shares of Common Stock are changed into a greater or lesser number of shares of Common Stock, the number and/or kind of shares and/or interests subject to an Option or Stock Award and the per share price or value thereof shall be appropriately adjusted by the Committee to give appropriate effect to such Reorganization. Any fractional shares or interests resulting from such adjustment shall be

eliminated. Notwithstanding the foregoing, (i) each such adjustment with respect to an Incentive Stock Option shall comply with the rules of Section 424(a) of the Code, and (ii) in no event shall any adjustment be made which would render any Incentive Stock Option granted hereunder other than an "incentive stock option" for purposes of Section 422 of the Code.

In the event the Company is not the surviving entity of a Reorganization and, following such Reorganization, any Participant holding Options or Stock Awards issued pursuant to this Plan which have not been exercised, cancelled, or terminated in connection therewith, the Company shall cause such Options and Stock Awards to be assumed (or cancelled and replacement Options and Stock Awards issued) by the surviving entity or a Related Entity.

12. ASSIGNMENT OR TRANSFER

Except as otherwise expressly provided in the Option Agreement for a Non-Qualified Stock Option, no Option granted under the Plan or any rights or interests therein shall be assignable or transferable by a Participant except by will or the laws of descent and distribution, and during the lifetime of a Participant, Options granted to him or her hereunder shall be exercisable only by the Participant or, in the event that a legal representative has been appointed in connection with the disability of a Participant, such legal representative. The Committee may, on a case by case basis, permit a Participant to transfer a Non-Qualified Stock Option, in whole or in part, during the Participant's lifetime to one or more members of the Participant's immediate family or to a trust established exclusively for one or more such family members, and the extent of such permission shall be enumerated in the Participant's Option Agreement. The transferred portion of the Non-Qualified Stock Option may be exercised only by the person or persons who acquire a proprietary interest in the Non-Qualified Stock Option pursuant to the transfer. The terms applicable to the transferred portion of the Non-Qualified Stock Option shall be the same as those in effect for the Non-Qualified Stock Option under the Participant's Option Agreement immediately prior to the transfer. The Committee may impose on any transferable Non-Qualified Stock Option such limitations and conditions as the Committee deems appropriate in its sole discretion. Any attempt to transfer an Option in violation of this Section 12 shall be null and void and shall be disregarded by the Company.

13. OTHER PROVISIONS

The grant of any Option or any Stock Award under the Plan may also be subject to such other provisions (whether or not applicable to an Option granted or a Stock Award made to any other Participant) as the Committee determines appropriate, including provisions relating to compliance with federal and state securities laws, or and provisions and conditions relating to a Participant's employment or retention which may be in addition to those specifically provided for under the Plan.

14. WITHHOLDING TAXES

By acceptance of an Option or a Stock Award, a Participant shall be deemed to (i) agree to reimburse the Company or Related Entity by which the Participant is employed or retained for any federal, state, or local taxes or other amounts required by any government to be withheld or otherwise deducted by such corporation in respect of the Participant's exercise of all or a portion

of the Option or the grant of or lapse of any restrictions related to a Stock Award; (ii) authorize the Company or any Related Entity by which the Participant is employed or retained to withhold from any cash compensation paid to the Participant or in the Participant's behalf, an amount sufficient to discharge any federal, state, and local taxes or other amounts imposed on the Company, or the Related Entity by which the Participant is employed or retained, and which otherwise has not been reimbursed by the Participant, in respect of the Participant's exercise of all or a portion of the Option or the grant of or lapse of any restrictions related to a Stock Award; and (iii) agree that the Company may, in its discretion, hold the stock certificate to which the Participant is entitled upon exercise of the Option (or refuse to release from escrow certificate related to any restricted Stock Award), until cash sufficient to pay that liability has been accumulated, and may, in its discretion, effect such withholding by retaining shares issuable upon the exercise of the Option having a Fair Market Value on the date of exercise which is equal to the amount to be withheld or in the case of a Stock Award, require the Participant to return to the Company a number of shares of Common Stock sufficient to satisfy the withholding requirement.

15. COSTS AND EXPENSES

The costs and expenses of administering the Plan shall be borne by the Company and shall not be charged against any Option or Stock Award or to any Participant receiving an Option or Stock Award.

16. FUNDING OF PLAN

The Plan shall be unfunded. The Company shall not be required to make any segregation of assets to assure the payment of any Option or Stock Award under the Plan.

17. OTHER INCENTIVE PLANS

The adoption of the Plan does not preclude the adoption by appropriate means of any other incentive plan for employees.

18. EFFECT ON TENURE

Nothing contained in the Plan or any Option Agreement or Stock Award Agreement shall affect, or be construed as affecting, the terms of employment of any Key Employee (or the terms of the relationship between the Company or any Related Entity and any Eligible Non-Employee) except to the extent specifically provided herein or therein. Nothing contained in the Plan or any Option Agreement or Stock Award Agreement shall impose, or be construed as imposing, an obligation on (i) the Company or any Related Entity to continue the employment of any Key Employee (or retention of any Eligible Non-Employee), and (ii) any Key Employee to remain in the employ (or any Eligible Non-Employee to remain in the service) of the Company or any Related Entity.

19. NO FRACTIONAL SHARES

No fractional Shares shall be issued or delivered under the Plan or any Option or Stock Award. The Committee shall have full discretion to determine whether cash, other securities, or other

property shall be paid or transferred in lieu of any fractional Shares or whether such fractional Shares or any rights thereto shall be canceled or terminated.

20. EXCHANGE PROGRAMS; REPRICINGS

a. Exchange Programs. The Committee may, without stockholder approval, cancel any outstanding Option and grant in exchange therefor a new Option or Stock Award covering the same or a different number of shares of Common Stock and having an exercise price per share lower than the then-current exercise price per share of the cancelled Option.

b. Repricings. The Committee may, without stockholder approval, amend any outstanding Option granted under the Plan to provide an exercise price per share that is lower than the then-current exercise price per share of such outstanding Option.

21. DEFINITIONS

In addition to the terms specifically defined elsewhere in the Plan, as used in the Plan, the following terms shall have the respective meanings indicated:

“Affiliate” shall mean, as to any Person, a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person. “Board of Directors” shall have the meaning set forth in Section 2 hereof.

“Cause”, with respect to any Key Employee, shall mean (unless another definition is agreed to in writing by the Company and the Participant) termination by action of the Board of Directors because of: (A) the Participant’s conviction of, or plea of nolo contendere to, a felony or a crime involving moral turpitude; (B) the Participant’s personal dishonesty, incompetence, willful misconduct, willful violation of any law, rule, or regulation (other than minor traffic violations or similar offenses) or breach of fiduciary duty which involves personal profit; (C) the Participant’s commission of material mismanagement in the conduct of his duties as assigned to him by the Board of Directors or the Participant’s supervising officer or officers of the Company; (D) the Participant’s willful failure to execute or comply with the policies of the Company or his stated duties as established by the Board of Directors or the Participant’s supervising officer or officers of the Company, or the Participant’s intentional failure to perform the Participant’s stated duties; or (E) substance abuse or addiction on the part of the Participant. “Cause”, with respect to any Eligible Non-Employee, shall mean (unless another definition is agreed to in writing by the Company and the Participant) termination by action of the Board of Directors because of: (A) the Participant’s conviction of, or plea of nolo contendere to, a felony or a crime involving moral turpitude; (B) the Participant’s personal dishonesty, incompetence, willful misconduct, willful violation of any law, rule, or regulation (other than minor traffic violations or similar offenses) or breach of fiduciary duty which involves personal profit; (C) the Participant’s commission of material mismanagement in providing services to the Company or any Related Entity; (D) the Participant’s willful failure to comply with the policies of the Company in providing services to the Company or any Related Entity, or the Participant’s intentional failure to perform the services for which the Participant has been engaged; (E) substance abuse or addiction on the part of the Participant; or (F) the Participant’s willfully making any material misrepresentation or willfully

omitting to disclose any material fact to the board of directors of the Company or any Related Entity with respect to the business of the Company or any Related Entity.

“Change of Control” shall mean the first to occur of the following events: (i) any sale, lease, exchange, or other transfer (in one transaction or series of related transactions) of all or substantially all of the assets of the Company to any Person or group of related Persons for purposes of Section 13(d) of the Exchange Act other than one or more members of the HMC Group, (ii) a majority of the Board of Directors of the Company shall consist of Persons who are not Continuing Directors; or (iii) the acquisition by any Person or Group (other than one or more members of the HMC Group) of the power, directly or indirectly, to vote or direct the voting of securities having more than 50% of the ordinary voting power for the election of directors of the Company.

“Code” shall have the meaning set forth in Section 1 hereof.

“Committee” shall have the meaning set forth in Section 2 hereof.

“Common Stock” shall have the meaning set forth in Section 3 hereof.

“Company” shall have the meaning set forth in Section 1 hereof.

“Continuing Director” shall mean, as of the date of determination, any Person who (i) was a member of the Board of Directors of the Company on the date of adoption of this Plan, (ii) was nominated for election or elected to the Board of Directors of the Company with the affirmative vote of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination or election, or (iii) is a member of the HMC Group.

“Disability” shall mean permanent disability as defined under the appropriate provisions of the applicable long-term disability plan maintained for the benefit of employees of the Company or any Related Entity who are regularly employed on a salaried basis unless another meaning shall be agreed to in writing by the Committee and the Participant; provided, however, that in the case of an Incentive Stock Option “disability” shall have the meaning specified in Section 22(e)(3) of the Code.

“Eligible Non-Employee” shall have the meaning set forth in Section 4 hereof.

“Exchange Act” shall have the meaning set forth in Section 2 hereof. “Fair Market Value” shall, as it relates to the Common Stock, mean the average of the high and low prices of such Common Stock as reported on the principal national securities exchange on which the shares of Common Stock are then listed on the date specified herein, or if there were no sales on such date, on the next preceding day on which there were sales, or if such Common Stock is not listed on a national securities exchange, the last reported bid price in the over-the-counter market, or if such shares are not traded in the over-the-counter market, the per share cash price for which all of the outstanding Common Stock could be sold to a willing purchaser in an arms length transaction (without regard to minority discount, absence of liquidity, or transfer restrictions imposed by any applicable law or agreement) at the date of the event giving rise to a need for a determination. Except as may be otherwise expressly provided in a particular Option, Fair Market Value shall be determined in good faith by the Committee.

“HMC Group” shall mean Hicks, Muse, Tate & Furst Incorporated, its Affiliates and their respective employees, officers, and directors (and members of their respective families and trusts for the primary benefit of such family members).

“Incentive Stock Options” shall have the meaning set forth in Section 6 hereof.

The term “including” when used herein shall mean “including, but not limited to”. “Key Employee” shall have the meaning set forth in Section 4 hereof.

“Non-Qualified Stock Options” shall have the meaning set forth in Section 6 hereof.

“Option Agreement” shall mean the written agreement or other written instrument(s) evidencing the grant of an Option.

“Options” shall have the meaning set forth in Section 1 hereof.

“Participant” shall mean a Person who has received an Option or a Stock Award under the Plan.

“Performance-Based Award” shall have the meaning set forth in Section 8 hereof.

“Person” shall have the meaning set forth in Section 4 hereof.

“Plan” shall have the meaning set forth in Section 1 hereof.

“Related Entities” shall have the meaning set forth in Section 1 hereof.

“Reorganization” shall have the meaning set forth in Section 11 hereof.

“Rule 16b-3” shall have the meaning set forth in Section 2 hereof.

“Stock Award” shall have the meaning set forth in Section 1 hereof.

“Stock Award Agreement” shall mean the written agreement or other written instrument(s) evidencing a Stock Award.

“Subsidiary” shall mean, with respect to any Person, any other Person of which such first Person owns or has the power to vote, directly or indirectly, securities representing a majority of the votes ordinarily entitled to be cast for the election of directors or other governing Persons.

22. AMENDMENT OF PLAN

The Board of Directors shall have the right to amend, modify, suspend or terminate the Plan at any time; provided that, an amendment that would: (i) disqualify any Incentive Stock Options granted under the Plan; (ii) increase the aggregate number of Shares reserved for issuance pursuant to the exercise of Options; (iii) increase the annual per-Participant limit set forth in Section 3(a) hereof; or (v) modify the requirements as to eligibility for participation in the Plan shall not become effective without the approval of a majority of the stockholders of the Company. Notwithstanding the preceding sentence, the Board of Directors shall be authorized to

amend the Plan and the Options granted thereunder (i) to the extent necessary to cause Incentive Stock Options to satisfy the requirements applicable to “incentive stock options” under Section 422 of the Code, (ii) to comply with Rule 16b-3 (or any successor rule) under the Exchange Act (or any successor law) and the regulations (including any temporary regulations) promulgated thereunder, (iii) to cause the Options or Stock Awards intended to be Performance-Based Awards to qualify as “performance-based compensation” within the meaning of Section 162(m)(4)(C) of the Code. No amendment, modification, suspension or termination of the Plan shall cause, without the consent of the holder, any previously-granted Options or Stock Awards to be forfeited or altered in a way that materially and adversely affects the holder thereof or his rights or benefits under such Option or Stock Award.

23. GOVERNING LAW

The validity and construction of the Plan and any agreement evidencing the grant of an Option or Stock Award thereunder shall be governed by the laws of the State of Delaware, excluding any conflicts or choice of law rules or principles that might otherwise refer construction or interpretation of any provision of the Plan or any such agreement to the substantive law of another jurisdiction, except to the extent superseded by any applicable federal law.

24. EFFECTIVE DATE

The 2002 Stock Plan (the “Original Plan”) was effective as of May 1, 2002. The Plan shall be effective as of May 4, 2005, and shall be void ab initio if not approved by the stockholders of the Company within twelve months thereafter and the terms of the Original Plan shall remain in full force effect.

Amended and Restated 2002 Stock Plan,
approved by the Board of Directors on March 16, 2005
and by the stockholders on [May 4, 2005.]

LIN TV CORP.
AMENDED AND RESTATED
2002 NON-EMPLOYEE DIRECTOR
STOCK PLAN
EFFECTIVE AS OF MAY 4, 2005

LIN TV CORP.

AMENDED AND RESTATED

2002 NON-EMPLOYEE DIRECTOR STOCK PLAN

1. PURPOSE

The purpose of the LIN TV Corp. Amended and Restated 2002 Non-Employee Director Stock Plan (“Plan”) is to attract highly qualified individuals who are not current employees of LIN TV Corp. (the “Company”) to serve as members of the Board of Directors of the Company and to enable such individuals to increase their ownership in the Company’s Class A common stock, par value \$.01 per share (the “Common Stock”). Capitalized terms in the Plan or in any agreement evidencing an award granted under the Plan shall have the meaning assigned to such terms in the Plan, except to the extent the context requires a different construction. In any necessary construction of the Plan, the masculine shall include the feminine and the singular shall include the plural and vice versa.

2. ADMINISTRATION

(a) Committee. The Plan shall be administered by the Compensation Committee of the Board of Directors of the Company (“Board of Directors”) or by any other committee appointed by the Board of Directors of the Company to administer the Plan (the “Committee”); provided that the Board of Directors shall act as the Committee if no such committee is appointed by the Board of Directors; further provided that, the entire Board of Directors may act as the Committee if it chooses to do so. The number of individuals that shall constitute the Committee shall be determined from time to time by a majority of all the members of the Board of Directors, and, unless that majority of the Board of Directors determines otherwise, shall consist of not less than two (2) members who shall be “non-employee directors” within the meaning of Rule 16b-3(b)(3) (or any successor rule) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

(b) Authority. The Committee shall have full and final authority, subject to the terms of the Plan:

- (i) to establish such rules and regulations as it deems necessary for the proper administration of the Plan;
- (ii) to make all determinations permitted or deemed necessary, appropriate, or advisable for the administration of the Plan;
- (iii) to interpret the terms and conditions of the Plan and any agreement evidencing an award granted under the Plan; and

(iv) to perform all other acts, exercise all other powers, and establish any other procedures determined by the Committee to be necessary, appropriate, advisable, in its sole discretion, for the administration of the Plan or for the conduct of the Committee's business.

All determinations and interpretations made by the Committee with respect to the Plan or an award granted under the Plan shall be binding and conclusive on all individuals and their legal representatives.

(c) Indemnification. No member of the Committee and no employee of the Company shall be liable for any act or failure to act hereunder, except in circumstances involving his bad faith, gross negligence or willful misconduct, or for any act or failure to act hereunder by any other member or employee or by any agent to whom duties in connection with the administration of this Plan have been delegated. The Company shall indemnify members of the Committee and any agent of the Committee who is an employee of the Company against any and all liabilities or expenses to which they may be subjected by reason of any act or failure to act with respect to their duties on behalf of the Plan, except in circumstances involving such person's bad faith, gross negligence or willful misconduct.

(d) Delegation and Advisers. The Committee may delegate to one or more of its members, or to one or more agents, such administrative duties as it may deem advisable, and the Committee, or any person to whom it has delegated duties as aforesaid, may employ one or more persons to render advice with respect to any responsibility the Committee or such person may have under the Plan. The Committee may employ such legal or other counsel, consultants and agents as it may deem desirable for the administration of the Plan and may rely upon any opinion or computation received from any such counsel, consultant or agent. Expenses incurred by the Committee in the engagement of such counsel, consultant or agent shall be paid by the Company.

3. ELIGIBILITY

Each active member of the Company's Board of Directors who is not a current employee of the Company and who is not eligible to participate in the LIN TV Corp. Amended and Restated 2002 Stock Plan, as amended (including any successor thereto), shall be eligible to participate in the Plan ("Eligible Non-Employee Director"). An Eligible Non-Employee Director shall become a participant in the Plan ("Participant") upon his execution of an Option Agreement (as defined in Section 4(a) herein) or a Stock Award Agreement (as defined in Section 4(b) herein).

4. AWARDS

(a) The Plan provides for the grant of rights to purchase shares of Common Stock ("Stock Options") in accordance with the terms described herein and subject to the terms of the written agreement executed by the Company and the Participant evidencing the grant of such Stock Option ("Option Agreement"). Stock Options granted under the Plan shall be designated as non-qualified stock options.

(b) The Plan provides for the grant of awards with respect to shares of Common Stock ("Stock Awards"), as described in Section 7 herein. Each Stock Award shall be subject to

the terms of the Plan and the written agreement executed by the Company and the Participant evidencing the grant of such Stock Award (“Stock Award Agreement”).

(c) Any Stock Option or Stock Award granted to a member of the Committee shall be approved by the Board of Directors, and no member of the Committee may approve the grant of a Stock Option or Stock Award to himself. Eligibility to participate in the Plan shall not entitle an Eligible Non-Employee Director to receive a Stock Option or Stock Award prior to the date such Stock Option or Stock Award is granted under the Plan. The granting of any Stock Option or Stock Award under the Plan shall not be deemed to either entitle a Participant to receive or to disqualify a Participant from receiving any other Stock Option or Stock Award under the Plan.

5. COMMON STOCK RESERVED UNDER THE PLAN

(a) Basic Limitations. The aggregate number of shares of Common Stock that may be subject to Stock Options or Stock Awards granted under the Plan shall be 400,000 shares of Common Stock, which may be authorized and unissued or treasury shares, subject to any adjustments made in accordance with Section 8 hereof.

(b) Additional Shares. Any shares of Common Stock subject to a Stock Option that for any reason is cancelled, expires, forfeited, or terminates without having been exercised, or any shares of Common Stock subject to a Stock Award that is cancelled, expires, forfeited, or terminates without payment, if any, having been made by the Participant for such shares of Common Stock shall again be available for the grant of Stock Options or Stock Awards under the Plan.

6. OPTIONS

(a) Initial Grant. Each newly-elected Eligible Non-Employee Director shall be granted a Stock Option with respect to 10,000 shares of Common Stock effective as of the first Option Grant Date following the date of his election to the Board of Directors, subject to Section 18 herein.

(b) Subsequent Grants. Each Eligible Non-Employee Director who is reelected or continues to serve (after his election to the Board of Directors) as an Eligible Non-Employee Director after the adjournment of an Annual Meeting of Stockholders of the Company shall be granted a Stock Option exercisable for that number of shares of Common Stock equal to one-third of the Base Amount, subject to Section 18 herein. “Base Amount” shall mean 4,000 shares of Common Stock in 2005, increasing to 9,000 shares of Common Stock over the following three years and remaining at 9,000 shares of Common Stock thereafter.

(c) Option Grant Date. The “Option Grant Date” shall be the first Friday following the Annual Meeting of Stockholders of the Company; provided, however, that if, on such date, the General Counsel of the Company determines, in his sole discretion, that the Company is in possession of material, undisclosed information about the Company, then the annual grant of Stock Options to Eligible Non-Employee Directors shall be suspended until the second business day after public dissemination of such information and the Option Grant Date of such Stock Options shall be such date.

(d) Exercise Price. Each Stock Option granted hereunder shall have a per-share exercise price equal to the Fair Market Value of a share of Common Stock on the Option Grant Date for such Stock Option.

(e) Payment of Exercise Price. In no event shall any shares of Common Stock be issued pursuant to the exercise of a Stock Option until the Participant has made full payment for the shares of Common Stock (including payment of the exercise price and any taxes required to be withheld by the Company in connection with the exercise of the Stock Option).

The exercise price shall be payable in United States dollars in cash or by check or in such form as the Committee may from time to time designate. The Participant also shall pay to the Company an amount determined by the Company to be sufficient to pay any applicable federal or state withholding taxes imposed as a result of the exercise of the Stock Option. In the sole discretion of the Committee, a Participant may make payment of either or both of the exercise price and any required federal or state withholding taxes, in whole or in part, by delivering shares of Common Stock to the Company. The Committee may impose such limitations and restrictions on payments with shares of Common Stock as the Committee, in its sole discretion, deems advisable. However, to the extent the Participant is permitted to deliver shares of Common Stock to pay any portion of the exercise price, the Participant must have owned the shares of Common Stock for at least six months as of the delivery date.

(f) Vesting. A Stock Option may be exercised to the extent the Stock Option is vested. Unless otherwise determined by the Committee at the time of grant and as provided in an Option Agreement, a Stock Option granted under the Plan shall become vested and exercisable in accordance with the vesting schedule set forth below, unless vesting is accelerated pursuant to Section 6(g) or Section 8(c) herein.

<u>PERCENTAGE OF GRANT VESTED AND EXERCISABLE</u>	<u>VESTING DATE</u>
25%	1st anniversary of grant date
25%	2nd anniversary of grant date
25%	3rd anniversary of grant date
25%	4th anniversary of grant date

(g) Acceleration of Vesting. To the extent a Stock Option has not previously vested or expired, a Stock Option shall become 100% vested and exercisable effective as of the date an Eligible Non-Employee Director ceases to provide services as an Eligible Non-Employee Director of the Company, provided that such cessation of service occurs as a result of his death or Retirement. For purposes of the Plan, "Retirement" shall mean cessation of service as an Eligible Non-Employee Director of the Company on or after (i) the date on which an Eligible Non-Employee Director attains age 60 with ten (10) or more years of service with the Company as a Non-Employee Director or (ii) the date on which an Eligible Non-Employee Director attains age 65 with five (5) or more years of service with the Company as an Eligible Non-Employee Director.

(h) Term of Stock Options. A Stock Option granted under the Plan shall terminate or expire on the earlier to occur of the following, subject to Section 8(c) herein:

(i) Ten (10) years after the Option Grant Date; or

(ii) Three (3) months after the date of an individual's cessation of service as an Eligible Non-Employee Director.

(i) Exchange Programs. The Committee may, without stockholder approval, cancel any outstanding Stock Option and grant in exchange therefor a new Stock Option or Stock Award covering the same or a different number of shares of Common Stock and having an exercise price per share lower than the then-current exercise price per share of the cancelled Stock Option.

7. STOCK AWARDS

(a) Generally. The Committee may, in its discretion, grant Stock Awards consisting of shares of Common Stock issued or transferred to an Eligible Non-Employee Director with or without payments therefor. A Stock Award shall be construed as an offer by the Company to the Participant to purchase the number of shares of Common Stock subject to the Stock Award at the purchase price, if any, established therefor.

(b) Payment of the Purchase Price. If the Stock Award Agreement requires payment for shares of Common Stock acquired pursuant to the Stock Award, the purchase price of any shares of Common Stock subject to the Stock Award may be paid in any manner authorized by the Committee, which may include any manner authorized under the Plan for the payment of the exercise price of a Stock Option.

(c) Additional Terms. Stock Awards shall be subject to such terms and conditions as the Committee determines, in its sole discretion, to be appropriate, including restrictions on the sale or other disposition of shares of Common Stock acquired pursuant to the Stock Award and the right of the Company to reacquire such shares for no consideration on or after the termination of the Participant's service with the Company. The Committee may require the Participant to deliver a duly signed stock power, endorsed in blank, relating to the shares of Common Stock subject to a Stock Award. The Committee may also require that the stock certificates evidencing shares of Common Stock subject to a Stock Award be held in custody or bear restrictive legends until the restrictions thereon shall have lapsed.

(d) Rights as a Shareholder. The Stock Award Agreement shall specify whether the Participant shall have, with respect to shares of Common Stock subject to the Stock Award, all of the rights of a holder of shares of Common Stock, including the right to receive dividends and to vote the shares of Common Stock.

(e) Annual Grants. Each Eligible Non-Employee Director who is reelected or continues to serve (after his election to the Board of Directors) as an Eligible Non-Employee Director after the adjournment of an Annual Meeting of Stockholders of the Company shall be granted a Stock Award equal to (i) two-thirds of the Base Amount, divided by (ii) three, subject to Section 18 herein.

8. ADJUSTMENT PROVISIONS; CHANGE OF CONTROL

(a) Adjustment Generally. If there shall be any change in the shares of Common Stock through merger, consolidation, reorganization, recapitalization, stock dividend, stock split, reverse stock split, split up, spin-off, combination of shares, exchange of shares, dividend in kind or other like change in capital structure or distribution (other than normal cash dividends) to stockholders of the Company, the number of shares of Common Stock reserved under the Plan as

set forth in Section 5(a) herein, the number and kind of shares issuable under an outstanding Stock Option, and the exercise price of a Stock Option shall be adjusted, as may be deemed appropriate by the Committee, to reflect such change in the shares of Common Stock.

(b) Adjustment to Stock Awards. In the event of any change in the shares of Common Stock described in subsection (a) above, the Committee may specify the effect of such change on Stock Awards under the Plan.

(c) Effect of a Change of Control. If (1) a Change of Control shall occur, (2) the Company shall enter into an agreement providing for a Change of Control, or (3) any member of the HMC Group shall enter into an agreement providing for a Change of Control, then the Committee may declare any or all Stock Options outstanding under the Plan to be exercisable in full, to the extent such Stock Options were not previously exercisable, at such time or times as the Committee shall determine, notwithstanding the express provisions of any Option Agreement; similarly, the Committee may declare that any restrictions applicable to any Stock Award shall completely lapse (to the extent not then lapsed), at such time or times as the Committee shall determine, notwithstanding the terms of any Stock Award Agreement. Each Stock Option the vesting of which is accelerated by the Committee pursuant to the preceding sentence shall terminate, notwithstanding any express provision thereof or any other provision of the Plan, on such date (not later than the stated expiration date of such Stock Option) as the Committee shall determine.

(d) Definitions.

(i) "Change of Control" of the Company shall mean, for purposes of the Plan, the first to occur of the following events: (i) any sale, lease, exchange, or other transfer (in one transaction or series of related transactions) of all or substantially all of the assets of the Company to any Person or group of related Persons for purposes of Section 13(d) of the Exchange Act other than one or more members of the HMC Group, (ii) a majority of the Board of Directors of the Company shall consist of Persons who are not Continuing Directors; or (iii) the acquisition by any Person or Group (other than one or more members of the HMC Group) of the power, directly or indirectly, to vote or direct the voting of securities having more than 50% of the ordinary voting power for the election of directors of the Company.

(ii) "HMC Group" shall mean Hicks, Muse, Tate & Furst Incorporated, its affiliates and their respective employees, officers, and directors (and members of their respective families and trusts for the primary benefit of such family members). An affiliate of Hicks, Muse, Tate & Furst Incorporated shall mean, any individual or legal entity that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with Hicks, Muse, Tate & Furst Incorporated.

9. NONTRANSFERABILITY

Except as otherwise expressly provided in the Option Agreement, no Stock Option granted under the Plan or any rights or interests therein shall be assignable or transferable by a Participant except by will or the laws of descent and distribution, and during the lifetime of a Participant, Stock Options granted to him under the Plan shall be exercisable only by the Participant. The

Committee may, on a case by case basis, permit a Participant to transfer a Stock Option, in whole or in part, during the Participant's lifetime to one or more members of the Participant's immediate family or to a trust established exclusively for one or more such family members, and the extent of such permission shall be enumerated in the Participant's Option Agreement. The transferred portion of the Stock Option may be exercised only by the person or persons who acquire a proprietary interest in the Stock Option pursuant to the transfer. The terms applicable to the transferred portion of the Stock Option shall be the same as those in effect for the Stock Option under the Participant's Option Agreement immediately prior to the transfer. The Committee may impose on any transferable Stock Option such limitations and conditions as the Committee deems appropriate in its sole discretion. Any attempt to transfer a Stock Option in violation of this Section 9 shall be null and void and shall be disregarded by the Company.

10. FAIR MARKET VALUE

For purposes of the Plan and any Stock Options or Stock Awards granted hereunder, "Fair Market Value" shall mean the closing price of a share of Common Stock on the determination date (or on the last preceding trading date if Common Stock was not traded on the determination date) if the Company's Common Stock is readily tradable on a national securities exchange or other market system, and if the Company's Common Stock is not readily tradable, Fair Market Value shall mean the amount determined in good faith by the Committee as the fair market value of a share of Common Stock.

11. WITHHOLDING

By acceptance of a Stock Option or a Stock Award, a Participant shall be deemed to (i) agree to reimburse the Company for any federal, state, or local taxes or other amounts required by any government to be withheld or otherwise deducted by such corporation in respect of the Participant's exercise of all or a portion of the Stock Option, the grant of a Stock Award, or the lapse of any restrictions related to a Stock Award; (ii) authorize the Company to withhold from any cash compensation paid to the Participant or in the Participant's behalf, an amount sufficient to discharge any federal, state, and local taxes or other amounts required to be withheld by the Company, and which otherwise has not been paid by the Participant, in respect of the Participant's exercise of all or a portion of a Stock Option or the grant of or lapse of any restrictions related to a Stock Award; and (iii) agree that the Company may, in its discretion, hold the stock certificate to which the Participant is entitled upon exercise of the Stock Option (or refuse to release from escrow certificate related to any restricted Stock Award), until cash sufficient to pay that liability has been accumulated, and may, in its discretion, effect such withholding by retaining shares issuable upon the exercise of the Stock Option having a Fair Market Value on the date of exercise which is equal to the amount to be withheld or, in the case of a Stock Award, require the Participant to return to the Company a number of shares of Common Stock sufficient to satisfy the withholding requirement.

12. TENURE

Nothing contained in the Plan, any Option Agreement, or any Stock Award Agreement shall affect, or be construed as affecting, the terms of relationship between the Company and any Eligible Non-Employee Director. Nothing contained in the Plan, any Option Agreement, or any

Stock Award Agreement shall impose, or be construed as imposing, an obligation on the Company to retain the services of any individual.

13. UNFUNDED PLAN

Participants shall have no right, title, or interest whatsoever in or to any investments which the Company may make to aid it in meeting its obligations under the Plan. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company and any participant, beneficiary, legal representative or any other person. To the extent that any person acquires a right to receive payments from the Company under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company. All payments to be made hereunder shall be paid from the general funds of the Company and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan. The Plan is not intended to be subject to the Employee Retirement Income Security Act of 1974, as amended.

14. NO FRACTIONAL SHARES

No fractional shares of Common Stock shall be issued or delivered pursuant to the Plan. The Committee shall determine whether cash, or Options, or other property shall be issued or paid in lieu of fractional shares or whether such fractional shares of Common Stock or any rights thereto shall be forfeited or otherwise eliminated.

15. RIGHTS AS A SHAREHOLDER

Except as otherwise provided by the Committee, a Participant shall have no rights as a shareholder with respect to shares of Common Stock covered by a Stock Option or Stock Award until the issuance of an unrestricted stock certificate to the Participant with respect to such shares. No adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of such unrestricted stock certificate.

16. DURATION, AMENDMENT AND TERMINATION

(a) Duration. No Stock Option shall be granted after May 1, 2012 but Stock Options granted prior to that date shall continue to become exercisable, and may be exercised, according to their terms.

(b) Amendment and Termination. Except as provided in Section 16(c) herein, the Plan may be terminated or amended by the Board of Directors, in whole or in part, at any time.

(c) Limitations on Amendment. No amendment to the Plan may revoke or alter the terms of any previously-granted Stock Option or Stock Award outstanding as of the effective date of such Plan amendment without the Participant's consent, to the extent such amendment would materially and adversely affect the Participant's rights under, or the value of, such Stock Option or Stock Award. Additionally, no amendment to the Plan shall become effective before the date stockholders approve such amendment where the absence of such approval would cause

the Plan to fail to comply with Rule 16b-3 under the Exchange Act, or any other requirement of applicable law or regulation.

17. GOVERNING LAW

The validity and construction of the Plan and any agreement evidencing the grant of a Stock Option or Stock Award thereunder shall be governed by the laws of the State of Delaware, excluding any conflicts or choice of law rules or principles that might otherwise refer construction or interpretation of any provision of the Plan or any such agreement to the substantive law of another jurisdiction, except to the extent superseded by any applicable federal law.

18. EFFECTIVE DATE

The 2002 Non-Employee Director Plan was effective as of May 1, 2002 (the "Original Plan"). The Plan shall be effective as of May 4, 2005, and shall be void ab initio if not approved by the stockholders of the Company within twelve months thereafter and, in such case, the terms of the Original Plan shall remain in full force effect. Any Stock Option or Stock Award granted under the Original Plan prior to such approval of stockholders shall be effective as of the grant date (unless the Committee specifies otherwise at the time of grant), and such Stock Option may be exercised prior to such stockholder approval. Any Stock Option or Stock Award granted under the Plan prior to such approval of stockholders, shall be effective as of the grant date (unless the Committee specifies otherwise at the time of grant), but no such Stock Option may be exercised nor may such Stock Award be deemed valid, as the case may be, prior to such stockholder approval, and if stockholders fail to approve the Plan as specified hereunder, any such Stock Option or Stock Award shall be null and void as of the grant date.

Amended and Restated 2002 Non-Employee Director Stock Plan,
approved by the Board of Directors on March 16, 2005
and by the stockholders on [May 4, 2005.]

INDEX OF DEFINED TERMS

<u>TERM</u>	<u>SECTION WHERE DEFINED OR FIRST USED</u>
Base Amount	6 (b)
Board of Directors	2 (a)
Change of Control	8 (d)(1)
Committee	2 (a)
Common Stock	1
Company	1
Effective Date	6
Eligible Non-Employee Director	3
Exchange Act	2 (a)
Fair Market Value	10
HMC Group	8 (d)(2)
Option Agreement	4 (a)
Option Grant Date	6 (c)
Participant	3
Plan	1
Retirement	6 (g)
Stock Award	4 (b)
Stock Award Agreement	4 (b)
Stock Option	4 (a)

CERTIFICATIONS

I, Gary R. Chapman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LIN TV Corp.;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact

2. necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all

3. material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and

4. procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

- b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

- c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

- d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 6, 2004

/s/ Gary R. Chapman

Gary R. Chapman
Chief Executive Officer

CERTIFICATIONS

I, Vincent L. Sadusky, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LIN TV Corp.;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact

2. necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all

3. material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and

4. procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

- b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

- c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

- d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 6, 2004

/s/ Vincent L. Sadusky

Vincent L. Sadusky

Chief Financial Officer and Treasurer

CERTIFICATIONS

I, Gary R. Chapman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LIN Television Corporation;

- Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 2.

- Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 3.

- The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
- 4.

- a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

- The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
- 5.

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 6, 2005

/s/ Gary R. Chapman
Gary R. Chapman
Chief Executive Officer

CERTIFICATIONS

I, Vincent L. Sadusky, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LIN Television Corporation;

Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact

2. necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period

covered by this report; 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

- a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
- c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
- d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

- a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
- b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 6, 2005

/s/ Vincent L. Sadusky

Vincent L. Sadusky

Chief Financial Officer and Treasurer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of LIN TV Corp. for the three months ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Gary R. Chapman, Chief Executive Officer of the Company, and Vincent L. Sadusky, Chief Financial Officer of the Company each hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 6, 2005

/s/ Gary R. Chapman

Gary R. Chapman
Chief Executive Officer

Dated: May 6, 2005

/s/ Vincent L. Sadusky

Vincent L. Sadusky
Chief Financial Officer and Treasurer

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of LIN Television Corporation for the three months ended March 31, 2005 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Gary R. Chapman, Chief Executive Officer of the Company, and Vincent L. Sadusky, Chief Financial Officer of the Company each hereby certifies, pursuant to 18 U.S.C. Section 1350, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 6, 2005

/s/ Gary R. Chapman

Gary R. Chapman
Chief Executive Officer

Dated: May 6, 2005

/s/ Vincent L. Sadusky

Vincent L. Sadusky
Chief Financial Officer and Treasurer