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October 5, 2017

REDACTED – FOR PUBLIC INSPECTION

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

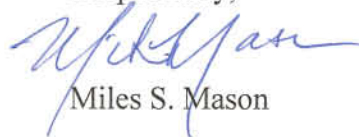
Re: Applications to Transfer Control of Tribune Media Company to Sinclair Broadcasting Group, Inc., MB Docket No. 17-179 (“Applications”)

Dear Ms. Dortch,

Sinclair Broadcast Group, Inc. (“Sinclair”) hereby provides this response (the “Response”) to the letter dated September 14, 2017 from Michelle Carey, Chief of the Media Bureau of the Federal Communications Commission (the “FCC” or the “Commission”), and the Request for Information attached thereto (the “Request”).

In accordance with the *Protective Order*¹ in the above captioned proceeding, Sinclair is simultaneously submitting a Highly Confidential version of this filing under seal and a public, redacted version. Sinclair has denoted with {{Begin HCI
END HCI}} information it deems to be Highly Confidential Information pursuant to the *Protective Order*. The inadvertent inclusion of any material that is subject to an assertion of the attorney-client, attorney-work product, or other applicable privilege is not intended as a waiver of such privilege. Terms not otherwise defined in the attached response shall have the definitions given to them in the Request.

Respectfully,



Miles S. Mason

Attachments

¹ *Tribune Media Company (Transferor) and Sinclair Broadcast Group, Inc. (Transferee) Consolidated Applications for Consent to Transfer Control*, Protective Order, MB Docket No. 17-179, DA 17-678 (July 14, 2017) (“*Protective Order*”).

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of)	
)	
Tribune Media Company)	
(Transferor))	
)	MB Docket No. 17-179
and)	
)	
Sinclair Broadcast Group, Inc.)	
(Transferee))	
)	
Consolidated Applications for Consent to)	
Transfer Control)	

RESPONSES OF SINCLAIR BROADCAST GROUP, INC.
TO FCC REQUEST FOR INFORMATION

1. **Request:** *Describe in detail and provide documents that support and demonstrate Sinclair's current national audience reach and the specific calculations and methodology used to determine both that figure as well as the Post-Transaction 45.5 percent national audience reach.*

Sinclair's current national audience reach is 24.7%. Sinclair calculates national audience reach in accordance with Section 73.3555(e)(2) of the Commission's rules, by attributing 50 percent of the television households in those DMA markets in which Sinclair currently holds licenses for UHF station(s) only, and attributing 100 percent of the television households in all DMA markets in which Sinclair is licensee of a VHF station.²

² 47 C.F.R. § 73.3555(e)(2) ("National audience reach means the total number of television households in the [DMAs] in which the relevant stations are located divided by the total national television households as measured by DMA data at the time of a grant, transfer, or assignment of a license. For purposes of making this calculation, UHF television stations shall be attributed with 50 percent of the television households in their DMA market.").

Attached as Exhibit 1 is a chart detailing each full-power television station in which Sinclair currently has an attributable interest, along with the corresponding percentage of U.S. television households for each station's Designated Market Area ("DMA"), as determined by Nielsen's 2017-2018 Local Television Market Universe Estimates.

Attached as Exhibit 2 is a chart detailing the full-power stations in which either Sinclair or Tribune has an attributable interest, and the corresponding percentage of U.S. television households for each station's DMA.

2. **Request:** *Describe in detail and provide documents that support your description of what specific steps the Applicants have taken and/or what specific steps they plan to take to comply with the national ownership limit, including a complete list of stations that would be divested to comply with 47 C.F.R. § 73.3555(e) and any attempts to market those stations, including, but not limited to, contacts with station brokers and/or potential buyers, any plans to request permission to place stations in divestiture trusts, and/or any plans to seek a waiver(s) of 47 C.F.R. § 73.3555(e).*

Under current rules Sinclair would need to divest licenses in at least two markets to comply with the FCC's national ownership limit; however, as of this date it has not identified specific divestitures. In July, Sinclair engaged Moelis & Company ("Moelis") to assist and provide advice on potential station sales. Moelis has contacted a substantial number of potential buyers, consisting of both broadcasters and financial investor/management teams, many of which have signed non-disclosure agreements and have accessed the data room and/or submitted preliminary information requests. The outcomes of negotiations with potential buyers could impact the license divestitures Sinclair would make. Also, as disclosed in the

Applicants' Consolidated Opposition to Petitions to Deny,³ the Transaction is currently under review by the Department of Justice, Antitrust Division ("DOJ"), which may require Sinclair to divest licenses in markets for reasons unrelated to the FCC's rules. Sinclair is responding on a rolling basis to a second request for information from the DOJ, as is customary in transactions such as the Transaction, and has entered into an agreement with the DOJ pursuant to which Sinclair anticipates that the DOJ will complete its review before year end. Divestitures that may be required by the DOJ could impact what actions Sinclair might take to comply with the national ownership cap. Additionally, as set forth in the Opposition and the Applications, any license divestitures may be impacted by the rulemaking proceeding to evaluate Section 73.3555(e) of the Commission's Rules that the Commission has indicated it intends to initiate later this year. For all of these reasons, it is premature at this point for Sinclair to know what specific steps will be required to comply with Section 73.3555(e), including what specific license divestitures it will need to make. Sinclair does not currently have any plans to request permission to place stations in divestiture trusts or to seek a waiver of 47 C.F.R. § 73.3555(e) in order to comply with the national ownership limit, though that could change depending on the resolution of the factors discussed above.

3. **Request:** *For each Non-Compliant Overlap Market, provide a detailed showing with supporting documents listing the Top Four stations as measured by Nielsen Research Service or any comparable ratings service; and a detailed showing with supporting documents of the full-power commercial and non-commercial television broadcast stations in each Non-Compliant Overlap*

³ *Tribune Media Company (Transferor) and Sinclair Broadcast Group, Inc. (Transferee) Consolidated Applications for Consent to Transfer Control, Applicants' Consolidated Opposition to Petitions to Deny, MB Docket No. 17-179 (filed Aug. 22, 2017) ("Opposition") at 22.*

Market, including a showing listing the current independently owned and operating, full-power, commercial and noncommercial TV stations and a showing listing the independently owned and operating, full power, commercial and non-commercial TV stations that would remain Post-Transaction. In each Non-Compliant Overlap Market, specify if any of the noise-limited contours of the listed stations do not overlap the noise-limited contours of the Applicants' stations.

Below is a summary of each Non-Compliant Overlap Market detailing where Sinclair and/or Tribune own a Top Four station. Documents attached at Exhibit 3 list the independently owned and operating full-power commercial and noncommercial TV stations that currently exist in each market and how many would remain Post-Transaction.

1. Seattle-Tacoma, Washington:

In this market, a subsidiary of Sinclair is the licensee of television stations KOMO-TV, Seattle, Washington and KUNS-TV, Bellevue, Washington. A subsidiary of Tribune is the licensee of stations KCPQ, Tacoma, Washington and KZJO, Seattle, Washington. Both KOMO-TV and KCPQ are currently Top Four stations in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain eleven independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

2. St. Louis, Missouri:

In this market, a subsidiary of Sinclair is the licensee of KDNL-TV, St. Louis, Missouri. A subsidiary of Tribune is the licensee of stations KPRL-TV, St. Louis, Missouri and KTVI, St. Louis, Missouri. Both KDNL-TV and KTVI are currently Top Four stations in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain seven

independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

3. Salt Lake City, Utah:

In this market, a subsidiary of Sinclair is the licensee of KUTV, Salt Lake City, Utah and KJZZ-TV, Salt Lake City, Utah, and KMYU, St. George, Utah. A subsidiary of Tribune is the licensee of station KSTU, Salt Lake City, Utah. Both KUTV and KSTU are currently Top Four stations in the market. The noise limited contour of KMYU does not overlap the noise limited contours of KUTV, KJZZ-TV, or KSTU.⁴ See Exhibit 4. As detailed in Exhibit 3, absent divestiture to third party that does not currently own a station in the market, there will remain thirteen independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

4. Oklahoma City, Oklahoma:

In this market, a subsidiary of Sinclair is the licensee of KOKH-TV, Oklahoma City, Oklahoma and KOCB, Oklahoma City, Oklahoma. A subsidiary of Tribune is the licensee of station KFOR-TV, Oklahoma City, Oklahoma and KAUT-TV, Oklahoma City, Oklahoma. KOKH-TV and KFOR-TV are currently Top Four stations in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain eight independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

⁴ We note that a subsidiary of Sinclair currently has a non-attributable Joint Sales Agreement and a Shared Services Agreement with Ruby Mountain Broadcasting, LLC with respect to television station KENV-DT, Elko, NV, copies of which are attached hereto in response to Request 10 at Exhibit 6.

5. Greensboro-High Point-Winston Salem, North Carolina:

In this market, a subsidiary of Sinclair is the licensee of WXLV-TV, Winston Salem, North Carolina and WMYV, Greensboro, North Carolina. A subsidiary of Tribune is the licensee of WGHP, High Point, North Carolina. Both WXLV-TV and WGHP are currently Top Four stations in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain seven independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

6. Grand Rapids-Kalamazoo-Battle Creek, Michigan:

In this market, a subsidiary of Sinclair is the licensee of WWMT, Kalamazoo, Michigan. A subsidiary of Tribune is the licensee of WXMI, Grand Rapids, Michigan. Both WWMT and WXMI are currently Top Four stations in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain seven independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

7. Harrisburg-Lancaster-Lebanon-York, Pennsylvania:

In this market, a subsidiary of Sinclair is the licensee of WHP-TV, Harrisburg, Pennsylvania. A subsidiary of Tribune is the licensee of WPMT, York, Pennsylvania. Both WHP-TV and WPMT are currently Top Four stations in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain six independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

8. Richmond-Petersburg, Virginia:

In this market, a subsidiary of Sinclair is the licensee of WRLH-TV, Richmond, Virginia. A subsidiary of Tribune is the licensee of WTVR-TV, Richmond, Virginia. Both WRLH-TV and WTVR-TV are currently Top Four stations in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain five independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

9. Des Moines-Ames, Iowa:

In this market, a subsidiary of Sinclair is the licensee of KDSM-TV, Des Moines, Iowa. A subsidiary of Tribune is the licensee of WHO-DT, Des Moines, Iowa. Both KDSM-TV and WHO-DT are currently Top Four stations in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain six independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

10. Portland, Oregon:

In this market, a subsidiary of Sinclair is the licensee of KATU, Portland, Oregon and KUNP, La Grande, Oregon. A subsidiary of Tribune is the licensee of KRCW-TV. The noise limited contour of KUNP does not overlap the noise limited contours of KATU or KRCW. See Exhibit 5. KATU is currently a Top Four station in the market. As detailed in Exhibit 3, absent divestiture to a third party that does not currently own a station in the market, there will remain seven independently owned and operating full-power commercial and noncommercial TV stations in the market Post-Transaction.

4. **Request:** *Describe in detail and provide documents that support and demonstrate what steps, if any, the Applicants have taken or plan to take to comply with the local television ownership rules, including a complete list of stations that would be divested to comply with 47 C.F.R. § 73.3555(b) and any attempts to market those stations, including but not limited to, contacts with station brokers and/or potential buyers, any plans to request permission to place stations in divestiture trusts, and/or any plans to seek a waiver(s) of 47 C.F.R. § 73.3555(b).*

As stated in the Opposition and the Applications, Sinclair intends to undertake license divestitures as necessary to comply with the Commission's Rules, and as noted above, Moelis has already engaged numerous potential buyers. Further, as noted above, the Transaction is currently under review by the DOJ, which may require divestitures for reasons unrelated to the FCC's rules. Additionally, as set forth in the Applications, any divestitures may be impacted by the Commission's review of pending petitions for reconsideration of the FCC's ownership rules.⁵ Accordingly, it is premature at this point for Sinclair to know what specific steps it will take to comply with 47 C.F.R. § 73.3555(b). Sinclair does not currently have any plans to request permission to place stations in divestiture trusts or to seek a waiver of 47 C.F.R. § 73.3555(b), though that could change depending on the resolution of the factors discussed above.

⁵ Trade press has suggested that the Commission may act on these petitions later this year. See, e.g., Todd Shields and Lucas Shaw, *TV Station M&A May Quicken with U.S. Poised to Ease Rules*, Bloomberg (July 20, 2017), <https://www.bloomberg.com/news/articles/2017-07-20/local-tv-station-ownership-rules-said-set-for-easing-by-u-s-fcc>; see also John Eggerton, *Sources: Pai Teeing up Media Ownership Order*, Broadcasting & Cable (Aug. 11, 2017), <http://www.broadcastingcable.com/news/washington/sources-pai-teeing-media-ownership-order/167846>.

5. **Request:** *Describe in detail, quantify, and provide documents that support and demonstrate the operational efficiencies and economies of scale that would result from the Transaction that would not be achieved absent the Transaction.*

The Transaction will enable Sinclair to achieve efficiencies company-wide.

Some of the most significant operational efficiencies are detailed below:

First, Sinclair anticipates realizing approximately {{BEGIN HCI
END HCI}} in corporate overhead synergies over the first two years after it acquires Tribune. Approximately {{BEGIN HCI
END HCI}} of the savings will result from the elimination of duplicative higher level corporate positions immediately after the Transaction closes, and the remainder from the elimination of redundant facilities, outside vendors, and other non-labor savings. Sinclair does not plan to make any immediate changes with respect to station-level staffing until it has learned more about the Tribune stations' operations and is able to properly evaluate each station's growth potential and related needs. By lowering redundant operating expenses, Sinclair will be able to use those savings to diversify program offerings and compete more effectively for spot advertising with other local broadcast stations, as well as with cable operators and digital media providers as outlined in more detail below.

Second, the merger will facilitate the streamlining of Sinclair's news gathering infrastructure. This will lower costs, thereby making it feasible for the company to expand and improve local news programming, especially in markets in which Sinclair and Tribune both own stations, just as Sinclair has done in previous acquisitions. As shown in the Applications and the Opposition, Sinclair has a history of investing in stations it acquires and a proven track record of increasing the amount and quality of

the local news broadcast by those stations. For example, Sinclair invested almost \$40MM into the Fisher and Allbritton stations after those acquisitions, including new computers and laptops, live trucks and other news vehicles, camera equipment, video encoders, weather systems, and other news studio and production equipment. Put simply, the economies of scale Sinclair enjoys allow it to make improvements that smaller station group owners cannot afford.⁶ In markets where both Sinclair and Tribune own a station and either the Sinclair or Tribune station has no independently produced local newscasts or one that attracts very few viewers, Sinclair would follow the successful approach it has taken in San Antonio and elsewhere by locating the news resources into a shared newsroom and developing distinct newscasts for each station, each targeted at a particular demographic or geographic region.⁷ By giving

⁶ For example, after Sinclair acquired WWMT in Grand Rapids, Michigan, from Freedom Communications in 2012, Sinclair installed new LiveU video transmission packs and started airing a new weekend-morning newscast. The station manager told Broadcasting and Cable that he had tried, unsuccessfully, to convince Freedom to make these changes for three years, but Sinclair has been “been very good about giving us a lot of support for news product.” See Michael Malone, *Sinclair’s Spree Dazzles Street, Puzzles Stations*, Broadcasting & Cable (June 3, 2013), <http://www.broadcastingcable.com/news/local-tv/sinclairs-spree-dazzles-street-puzzles-stations/44070>.

⁷ Sinclair’s experience in San Antonio illustrates how it is able to harness efficiencies in duopoly markets to increase the quantity and quality of local programming. In July 2012, Sinclair, which owned television station KABB in that market, acquired television station WOAI. Following the acquisition, Sinclair merged the two stations’ news operations to make the largest newsroom in San Antonio and made substantial investments. As a result of the efficiencies created from consolidation, Sinclair was able to add 2.5 hours of local news per week to each station: WOAI added a 12:30 pm to 1:00 pm weekday newscast, and KABB added an 11:30am to noon weekday newscast. While the news operations were consolidated, the news products were differentiated. Sinclair developed unique newscasts using different anchor teams targeted to different demographics. As a result of this differentiation, ratings for both stations improved substantially. According to Nielsen, WOAI’s audience share during the 5:00 am to 7:00 am daypart nearly doubled from 7.0% in July 2012 to 13.0% in November 2015. Its ratings during the 5:00-5:30 pm daypart also improved

each newscast a distinct brand and focus, Sinclair can avoid having the stations offer duplicative products while offering viewers a wider choice in news programming. Sinclair does not expect this process to reduce the number of employees substantially, but does expect to realize an overall saving in costs.

Third, by expanding its nationwide reach, the Transaction will enable Sinclair to cost-effectively produce and purchase higher quality and unique programming that should make its stations in every DMA more competitive with their broadcast, cable and digital rivals. This is described in more detail in our response to Request 6 below.

Fourth, by giving Sinclair a larger spectrum footprint, the merger will accelerate the roll-out of ATSC 3.0, the next generation standard for television broadcasting that will enable broadcasters to compete more directly with cable companies and digital providers. This is described in more detail in our response to Request 7 below.

Fifth, increasing the number of Sinclair stations will also enhance the ability of Sinclair's nascent non-local advertising network, or "unwired network," to compete with broadcast and cable networks like CNN and ESPN for national advertising, thereby providing more revenue and operating income for its local stations that can be reinvested in more and better DMA-specific programming. This is described in more detail in our response to Request 6 below.

during this same time period from 7.3% to 11.4%, and during the 6:00-6:30 daypart from 7.1% to 9.5%. WOAI had the last-ranked local newscast before the merger; it now ranks third. KABB also has seen improvement in its ratings during local newscasts, with its 7:00-9:00am daypart improving from 4.6% in July 2012 to 10.7% in November 2015, and its 9:00-10:00pm daypart improving from 6.1% to 7.5%.

6. **Request:** *Describe in detail, quantify, and provide documents that support and demonstrate the expected impact of the greater audience reach that would result from this Transaction. In particular, demonstrate how the increased audience reach will make Sinclair more attractive to programmers in a manner that would not occur absent approval of this Transaction, including, but not limited to increased ratings on existing stations; any new or enhanced presence by Sinclair in the DMAs where it holds licenses; changed viewer demographics for the company overall and/or its stations in particular; and improved MVPD distribution of Sinclair stations. Describe in detail, and provide documents that support and demonstrate how Sinclair plans to reinvest the additional revenues generated by any predicted greater audience reach and how such reinvestment will improve service to the public.*

A wide geographic footprint is critical for broadcast television to provide high quality general interest and entertainment programming that is competitive with video content available on cable, satellite, and digital providers. The greater reach achieved through the Transaction will enable Sinclair to increase its investments in original programming and in licensing of higher-quality content, which complements the unique local news and DMA-specific programming that Sinclair creates for its individual community audiences.

Economies of scale resulting from this Transaction make specialized programming possible that would otherwise not be financially feasible. While Sinclair has been able to launch some digital networks on its sub-channels with its current station lineup,⁸ the increased footprint from the Tribune acquisition would make it cost effective to launch even more. By making additional programming options feasible, the Transaction would allow Sinclair to compete with MVPDs and OTT providers by essentially offering “skinny” bundles of a few channels or a bundle of channels aimed at a particular demographic. Through multicasting, each primary

⁸ Some of those digital networks include Comet, which offers a mix of films and television series; TBD, which focuses on music, animation and comedy; Charge, with a focus on adventure based programming; and Stadium which airs live sports, post-game highlights, news and original long-form sports-related programming.

channel can support several digital sub-channels and will be able to support even more after the launch of ATSC 3.0. For example, a single station could broadcast a collection of sub-channels aimed at a specific demographics that might feature channels focused on sports, extreme sports, action movies, and comedy. And unlike a cable package, these skinny bundles could be available for free over the air.

The Transaction will also enable Sinclair to cost-effectively produce more original content and to purchase higher quality and unique programming which, when combined with locally-produced community-specific programming, should make its stations in every DMA more competitive with their broadcast, cable and digital rivals and more attractive to MVPDs.

And, because the Transaction will expand Sinclair's congruous stations (*e.g.*, stations like CWs and MyNetworkTVs that have similar programming needs across multiple markets) from about 20% of the country to 53%,⁹ Sinclair will be able to reach a critical mass that can significantly reduce the financial risk of producing original content. Congruous stations are more attractive to advertisers seeking national or near-national penetration of their commercials. Also, although Sinclair typically can produce attractive programming for less than the cost of most syndicated programming, such an investment is not profitable with its current congruent nationwide reach of approximately only 20%. By increasing its audience via the Tribune acquisition, Sinclair believes that it will increase the likelihood of being able

⁹ This number represents the non-duplicative coverage of post-Transaction CW and MyNetworkTV affiliates, which have similar programming needs. Without taking into account any divestitures, individually, the post-merger CW affiliates alone would cover 40% of the country, and the MyNetworkTV affiliates would cover 19%.

to profitably produce new programming choices for viewers that would not otherwise be possible.

Sinclair expects to be able to produce shows of equal or better quality than a substantial portion of the programming it currently purchases from the major syndicators—the same companies for the most part that own the major broadcast networks. Revenue synergies made possible by the Transaction will permit Sinclair to handle many aspects of producing original content – such as finance and distribution – without needing to rely on a large number of partners (and their control over at all phases of the production). This serves to attract big-name producers who can bring their visions and skillsets to Sinclair because Sinclair will be able to greenlight decisions. These conversations are happening with the same companies and talent agents that produce and/or package content for broadcast, cable, and OTT.

Besides bringing new original content to viewers – for free on broadcast television, unlike cable or many OTT services – the Transaction will increase competition for show ideas and related talent (*e.g.*, script writers, producers, technical personnel). By giving Sinclair the exposure necessary to financially justify the risk inherent in original content production, the Transaction will allow Sinclair to compete with the networks and OTT services, which will lead to even more programming options for viewers.

The ability to produce original programming also creates benefits with respect to Sinclair's ability to reduce the cost of licensing syndicated programming. The potential for Sinclair to produce its own programming, instead of buying syndicated content, is an equalizing force that can help lower licensing fees. The Transaction

will allow Sinclair to either obtain better rates on its licensed programming or produce its own content which would benefit the public by providing new and more diverse programming options.

The larger footprint also makes Sinclair more attractive to programmers and high-quality syndicators. While the biggest factor in such programming rights are guild rules that treat broadcast sales differently from cable network sales, the revenue and cost synergies from the Transaction will enable Sinclair to compete financially for more highly rated shows, possibly allowing such shows to remain on free over-the-air broadcast television, rather than migrating to cable, OTT, or other pay-TV platforms.

Further, expanding Sinclair's reach will also enhance the ability of Sinclair's unwired advertising network to compete with broadcast and cable networks like CNN and ESPN for national advertising (which generally is only available for networks that reach a greater percentage of the country than do either Sinclair or Tribune on their own), thereby providing more revenue and operating income for its local stations, which can be reinvested in more and better DMA-specific programming. In June 2014, Sinclair launched an unwired network,¹⁰ called the Sinclair Audience Network ("SAN"), to compete with broadcast and cable networks for national advertising revenue. National advertising represents 64% of all TV advertising revenue, and is therefore a major potential untapped source for financially challenged local broadcasters. The SAN allows national advertisers to purchase spots across all

¹⁰ In an "unwired network," an operator aggregates spot advertising time on various television stations across the country and sells that time to national advertisers, thereby competing with national cable providers and broadcast networks.

of Sinclair's stations nationwide. Unlike cable or national broadcast network advertising, the SAN currently can only air ads across approximately 40% of households. The merger would increase the number of households it reaches, thereby making the SAN a much more attractive alternative for national advertisers. This could potentially lower advertising costs, benefiting not only local broadcasters, but consumers as well (by possibly lowering product costs).

7. **Request:** *Describe in detail and provide documents that support and demonstrate specific examples of the types of equipment and service(s) in which Applicants expect to realize the anticipated economies of scale described in the above quoted language regarding ATSC 3.0 and the anticipated savings they expect to achieve that would not be achieved without the propose merger. Describe in detail and provide documents that support and demonstrate an explanation as to why this Transaction "will make implementing ATSC 3.0 more efficient by offering economies of scale in equipment purchasing and installation services."*

The Commission's proposed rule authorizing ATSC 3.0 for consumer use emphasizes that it intends to "facilitate private sector innovation and promote American leadership in the global broadcast industry."¹¹ The Transaction will help achieve this goal by creating a critical mass of households where the technology is available, thereby encouraging other broadcasters and electronics manufacturers to adopt the technology more quickly.

Commitment to ATSC 3.0 from a broadcaster with coast-to-coast reach will also incentivize manufacturers to develop products incorporating this technology. Consumers will require devices equipped with ATSC 3.0 tuners before they can take advantage of its enhanced features, but when asked by Consumer Reports, several television manufacturers refused to commit to when they would begin offering these

¹¹ FCC Proposed Rule, 82 Fed. Reg. 13285, 13297 (Mar. 10, 2017), *available at* <https://www.gpo.gov/fdsys/pkg/FR-2017-03-10/pdf/2017-04713.pdf>.

devices.¹² By enabling Sinclair to begin broadcasting on closer to a national basis in the ATSC 3.0 standard, more manufacturers will be motivated to produce compatible products. Indeed, a recent nationwide survey found that consumers were more willing to purchase and spend more on smart TVs with ATSC 3.0 features than smart TVs without it.¹³ This dynamic recently played out in South Korea, whose three major TV networks announced in May 2017 that they would begin broadcasting ATSC 3.0 video in several cities.¹⁴ LG subsequently announced that it would include ATSC 3.0 tuners in all of the 4K televisions sold in South Korea.¹⁵

BIA Kelsey estimates that the cost of building out the technology infrastructure (estimated to be \$300,000 to \$600,000 per station) will not be financially justifiable for small stations with annual revenues of less than \$2 million.¹⁶ The Transaction will help bring ATSC 3.0 to smaller stations in at least two ways: (1) Sinclair can leverage its economies of scale for the small stations it

¹² James K. Willcox, *Free Over-the-Air TV Is Going to Get Better*, Consumer Reports (May 19, 2017), <https://www.consumerreports.org/tv-service/free-over-the-air-tv-is-going-to-get-better/>.

¹³ Press Release, *Nationwide SmithGeiger Survey Finds Next-Generation ATSC 3.0 Features Increase Consumer Spending on and Accelerate Purchase of Smart TVs*, Verance (May 18, 2017), <https://www.verance.com/nationwide-smithgeiger-survey-finds-next-generation-atsc-3-0-features-increase-consumer-spending-accelerate-purchase-smart-tvs/>.

¹⁴ Robert Silva, *ATSC 3.0 - NextGen TV Broadcasting*, Lifewire (June 7, 2017), <https://www.lifewire.com/atsc-3-0-the-next-step-in-tv-broadcasting-4061759>.

¹⁵ Deborah D. McAdams, *'All' LG 4KTVs Sold in South Korea to Soon Feature ATSC 3.0*, TVTechnology (May 16, 2017), <http://www.tvtechnology.com/atsc3/0031/lg-to-add-atsc-3-0-tuners-to-all-tvs-this-year/281038>.

¹⁶ BIA Kelsey, *The Business Case for ATSC 3.0*, at 12 (Jan. 2017).

owns to share the costs of infrastructure build-out across all of its stations, and (2) nation-wide implementation of the technology by Sinclair will accelerate its maturation, thereby likely bringing down the equipment costs to a price point affordable by smaller broadcasters.

The Transaction will also ease the transition from the current broadcasting standard, ATSC 1.0, to ATSC 3.0. Because ATSC 3.0 is not backwards compatible, broadcasters will need to engage in temporary channel sharing to simultaneously broadcast content in both the old and new standards during the transition. For example, Post-Transaction, Sinclair's duopoly markets, such as Washington, D.C., will ease the transition to the new standard by allowing one station in each market to simulcast the video feed for both stations in the old standard and the other station in each market to simulcast the video feed for both stations in the new standard. This arrangement will avoid the inherent issues arising under a channel-sharing agreement with another ownership group, including disagreements over the investment necessary for the transition and speed of implementing the new technology.

8. **Request:** *Describe in detail and provide documents that support and demonstrate:*

a. The capital investments that Sinclair plans to make in the Tribune Stations Post Transaction;

Based on projections, Sinclair expects its capital expenditures in Tribune stations to be at least {{BEGIN HCI END HCI}} per year. The level of capital expenditure will vary at each station from antenna and tower equipment upgrades, studio upgrades, and upgrades to news and production equipment, consistent with other recent station acquisitions Sinclair has made. At this time, Sinclair has no specific plans for capital investments in any particular Tribune station,

as it has yet to undertake any site surveys at the Tribune stations. When the Transaction closes, Sinclair intends to survey each Tribune station to determine what capital investments are needed and will make a decision on the level of capital investment at each station. As demonstrated in the Applications and the Opposition, Sinclair has demonstrated a strong commitment to capital investment in stations it has acquired in the past.

- b. Any specific plans that Sinclair has made to add local programming, local newscasts, and/or local sports at the Tribune Stations Post-Transaction;*

Sinclair believes the large markets specifically present opportunities for expansion of local newscasts, although it has not yet completed its review of the Tribune markets for purposes of making final programming decisions. Tribune's WPIX station in New York currently runs local news from 5:00am until 9:00am. Sinclair sees an opportunity to expand its newscast to 11:00 am, adding an additional two hours. In Washington, D.C., Sinclair plans to expand Tribune's WDCW's 7:00pm and 10:00pm newscasts to a full hour from their current half hour runs. In St. Louis, Sinclair plans to expand both morning and evening newscasts, by adding a 4:30am, 6:00pm, and 10:00pm newscast. Sinclair has not yet identified opportunities to expand local newscasts in Chicago or Los Angeles, but intends to explore such opportunities and will look to leverage the strength of those markets. Sinclair also sees an opportunity to launch news on its MyNet station, WTVZ-TV, at 10:00pm in the Norfolk market.

Sinclair currently broadcasts *Full Measure*, a weekly Sunday news program focusing on investigative reporting, in 79 Sinclair markets post-Transaction. Sinclair intends to air *Full Measure* across all Tribune stations as well. Similarly, Tribune

broadcasts *Morning Dose*, a weekday “wake-up” program, in six Tribune markets. Sinclair is considering expanding *Morning Dose* to 25 Sinclair markets. This would add two hours of morning news in many markets which currently air paid programming or syndicated programming during those time slots, such as Milwaukee, Wisconsin, Pittsburgh, Pennsylvania, Buffalo, New York, Albany, New York, West Palm Beach, Florida, Sioux City, Iowa, and Tallahassee, Florida.

Sinclair has grown its commitment to local sports programming as it has acquired stations. Between 2012 and 2016, Sinclair added approximately 6,148 hours of local sports programming, an increase of 373%. Sinclair’s growth has allowed it to increase production efficiencies across markets, and establish new programs such as Thursday Night Lights/Friday Night Rivals. Sinclair spends millions of dollars a year in promotion, production costs, and other commitments, including approximately \$4 million in production costs alone, to broadcast local high school sports through its Thursday Night Lights/Friday Night Rivals programs.

Sinclair has a 5-year plan to expand its Thursday Night Lights/Friday Night Rivals program to Tribune markets. Sinclair has identified 23 Tribune markets as candidates to expand the program by 2022. In 2018, Sinclair will potentially expand to five new markets and 50 games, through an investment of approximately \$720,000. In 2019, Sinclair would potentially expand into five additional new markets and 50 games, through an investment of \$755,000. In 2020, Sinclair has identified five additional markets and 50 games, at the cost of \$798,000. In 2021 and 2022, Sinclair would expand the program to eight additional markets. The total potential investment

by Sinclair in new markets over five years is $\{\{\text{BEGIN HCI}$ END
HCI $\}\}$.

Furthermore, the transaction will allow Sinclair to add live high school sports to markets (or states/counties) where Sinclair has stations but has not yet launched the Thursday Night Lights/Friday Night Rivals program. Sinclair has also identified multiple states that will be able to compete for the rights to broadcast state championship games. These are states (such as California, Pennsylvania and Ohio) where Sinclair currently has stations, but does not cover enough markets within the state to reach enough households and be competitive for the rights to the championship games.

c. *Any specific plans that Sinclair has made to increase coverage of state government and local government at the Tribune Stations Post Transaction:*

Sinclair currently has statehouse reporters in markets where Sinclair stations are located in state capital cities, such as Harrisburg, Pennsylvania, Columbus, Ohio, and Springfield, Illinois. The focus of the statehouse reporters, similar to Sinclair's *Connect to Congress* program, is to connect state level politicians with their constituents in other Sinclair markets in the state. With the Tribune merger, Sinclair will be able to expand this program to constituents in larger markets, such as Philadelphia, Pennsylvania, Cleveland, Ohio and Chicago, Illinois, in addition to Sinclair stations in those states. Additionally, the combination of Tribune's Sacramento, Los Angeles, and San Diego stations with Sinclair's existing stations in Eureka, Chico, and Fresno will allow Sinclair to bring this program to the state of California.

And, as described in the Applications and Opposition, the Transaction will enable Sinclair to add the Tribune Stations to its *Town Hall Initiative*, thus providing increased coverage of state and local government. Since launching its *Town Halls* in 2012, Sinclair has produced over 400 community town halls bringing together civic leaders, local government, Members of Congress, community activists, and viewers to debate all sides of issues of local importance, such as local elections and state budget issues. Sinclair also plans to make available to the Tribune Stations its Washington D.C. bureau, including *Connect to Congress* which will provide viewers in Tribune markets a direct connection with their elected officials that they do not currently have.

d. Any specific plans that Sinclair has made to increase or decrease the number of investigative reporters or journalists at the Tribune Stations Post Transaction;

Sinclair intends to strengthen the presence of investigative reporters and journalists at Tribune stations as it has in other stations it has purchased in the past. For example, in Washington, D.C., Sinclair currently has a team of 11 investigative reporters/journalists at its WJLA station, an increase of seven over the number of such reporters at the station prior to Sinclair's acquisition. In Baltimore, Sinclair recently increased the number of investigative journalists from one to five. Sinclair has also added investigative journalists in markets where there was no investigative journalism presence at all when Sinclair acquired the station, including: Cedar Rapids, Iowa; Cincinnati and Dayton, Ohio; Flint and Kalamazoo, Michigan; Oklahoma City and Tulsa, Oklahoma; Mobile and Birmingham, Alabama; Harrisburg, Pennsylvania; Portland, Maine; and Syracuse, New York. Sinclair would seek similar staffing plans in Tribune markets, which generally do not have an investigative journalism presence.

- e. Any specific plans that Sinclair has to increase and improve the amount of digital content on the Tribune Stations Post Transaction.*

Sinclair anticipates bringing on between 60-90 new hires to help develop and improve Tribune's online presence, which will again be output enhancing. As mentioned above, Sinclair's increased spectrum footprint will also allow it to offer more and varied programming on its digital sub-channels, thereby acting as a "virtual MVPD." These sub-channels allow broadcasters to air more specialized, niche programming, which increases output by giving viewers additional choices. For example, certain Sinclair stations broadcast its "Stadium Sports Network," which provides exclusive live games and events, highlights, classic games, daily live studio programming, and other original programming for free, and its digital channel named "TBD," which is targeted to a millennial audience with a content focus on short films, fashion, comedy, lifestyle, eSports, music and viral content.¹⁷ Sinclair's sub-channel networks are described in greater detail in the response to Request 6 above.

- 9. Request:** *Describe in detail and provide documents that support and demonstrate how the Transaction would offer greater value to MVPDs.*

As described above, Sinclair will be able to invest more money into its programming, to improve its multicasts, and to better target its programming to local markets, thereby providing greater value to MVPDs and their subscribers. Economies of scale make specialized programming possible that would otherwise not be financially feasible. The increased footprint from the Transaction would make it more cost effective for Sinclair to launch more digital networks which are generally provided to MVPDs and their subscribers completely for free. And, as noted above,

¹⁷ Lorraine Mirabella, *Sinclair launches first-of-kind TV network featuring digital content*, Baltimore Sun (Dec. 8, 2016), <http://www.baltimoresun.com/business/bs-bz-sinclair-launches-tbc-tv-network-20161207-story.html>.

the expanded footprint would enable Sinclair to produce more and better original content for its stations. The Transaction will also likely reduce MVPD's negotiating costs.

10. Request: *Provide a complete list and copies of all Sharing Agreements or Options to which either Sinclair or Tribune is a party in the DMAs in which the Tribune Stations are located. In each case, specify the type of agreement (e.g., local marketing agreement, shared services agreement, etc.) and the Broadcast Licensee(s) that is(are) also a party to the Sharing Agreement or Option. In each case, include the term of the Agreement, its expiration date, and the terms for renewal.*

A list and copies of such agreements are attached at Exhibit 6.

Respectfully submitted,

/s/ Miles S. Mason

Miles S. Mason

Jessica T. Nyman

Joseph A. Cohen

PILLSBURY WINTHROP SHAW

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October 5, 2017

Counsel to Sinclair Broadcast Group, Inc.

EXHIBIT 1

(RESPONSE TO REQUEST 1)

Sinclair National Audience Reach

Computation of National Audience Share							
	REDACTED - FOR PUBLIC INSPECTION						
SINCLAIR-000002		Broadcast	Market				
Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
All US DMAs					112,143,960	100.00%	
Washington D.C.	WJLA-TV	7	6	Owned	2,492,170	2.222%	2.222%
Seattle-Tacoma, WA	KOMO-TV	38	12	Owned	1,880,750	1.677%	0.839%
Seattle-Tacoma, WA	KUNS-TV	50	12	Owned			
Minneapolis-St. Paul, MN	WUCW	22	15	Owned	1,730,430	1.543%	0.772%
St. Louis, MO	KDNL-TV	31	21	Owned	1,189,890	1.061%	0.531%
Portland, OR	KATU	43	22	Owned	1,180,980	1.053%	0.527%
Portland, OR	KUNP	16	22	Owned			
Pittsburgh, PA	WPGH-TV	43	24	Owned	1,141,950	1.018%	0.509%
Pittsburgh, PA	WPNT	42	24	Owned			
Raleigh-Durham, NC	WLFL	27	25	Owned	1,133,160	1.010%	0.505%
Raleigh-Durham, NC	WRDC	28	25	Owned			
Baltimore, MD	WBFF	46	26	Owned	1,108,010	0.988%	0.494%
Nashville, TN	WZTV	15	27	Owned	1,030,650	0.919%	0.460%
Nashville, TN	WUXP-TV	21	27	Owned			
Salt Lake City, UT	KUTV	34	30	Owned	948,840	0.846%	0.846%
Salt Lake City, UT	KMYU	9	30	Owned			
Salt Lake City, UT	KJZZ-TV	46	30	Owned			
San Antonio, TX	KABB	30	31	Owned	924,480	0.824%	0.412%
San Antonio, TX	WOAI-TV	48	31	Owned			
Columbus, OH	WSYX	48	34	Owned	896,980	0.800%	0.400%
Cincinnati, OH	WKRC-TV	12	35	Owned	871,970	0.778%	0.778%
Milwaukee, WI	WCGV-TV	25	36	Owned	868,500	0.774%	0.387%
Milwaukee, WI	WVTV	18	36	Owned			
West Palm Beach-Ft. Pierce, FL	WPEC	13	38	Owned	829,110	0.739%	0.739%
West Palm Beach-Ft. Pierce, FL	WTVX	34	38	Owned			
Greenville-Spartanburg, SC-Asheville, NC	WLOS	13	38	Owned	809,190	0.722%	0.722%
Austin, TX	KEYE-TV	43	39	Owned	791,480	0.706%	0.353%
Las Vegas, NV	KSNV	22	40	Owned	757,400	0.675%	0.338%
Las Vegas, NV	KVCW	29	40	Owned			
Oklahoma City, OK	KOCB	33	41	Owned	705,840	0.629%	0.315%
Oklahoma City, OK	KOKH-TV	24	41	Owned			

	REDACTED FOR PUBLIC INSPECTION						
SINCLAIR-000003 Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
Grand Rapids-Kalamazoo-Battle Creek, MI	WWMT	8	43	Owned	689,950	0.615%	0.615%
Birmingham, AL	WABM	36	44	Owned	687,180	0.613%	0.306%
Birmingham, AL	WTTO	28	44	Owned			
Harrisburg-Lancaster-Lebanon-York, PA	WHP-TV	21	45	Owned	682,460	0.609%	0.304%
Norfolk-Portsmouth-Newport News, VA	WTVZ-TV	33	47	Owned	673,820	0.601%	0.300%
Greensboro-High Point-Winston-Salem, NC	WXLV-TV	29	48	Owned	672,650	0.600%	0.300%
Greensboro-High Point-Winston-Salem, NC	WMYV	33	48	Owned			
Providence, RI-New Bedford, MA	WJAR	50	52	Owned	597,990	0.533%	0.267%
Buffalo, NY	WUTV	14	53	Owned	592,750	0.529%	0.264%
Buffalo, NY	WNYO-TV	49	53	Owned			
Fresno-Visalia, CA	KMPH-TV	28	54	Owned	574,610	0.512%	0.256%
Fresno-Visalia, CA	KFRE-TV	36	54	Owned			
Richmond-Petersburg, VA	WRLH-TV	26	55	Owned	566,930	0.506%	0.253%
Little Rock-Pine Bluff, AR	KATV	22	58	Owned	522,530	0.466%	0.233%
Mobile, Al-Pensacola, FL	WEAR-TV	17	59	Owned	522,260	0.466%	0.233%
Mobile, Al-Pensacola, FL	WFGX	50	59	Owned			
Albany-Schenectady-Troy, NY	WRGB	6	60	Owned	521,820	0.465%	0.465%
Albany-Schenectady-Troy, NY	WCWN	43	60	Owned			
Tulsa, OK	KTUL	10	62	Owned	516,540	0.461%	0.461%
Lexington, KY	WDKY-TV	31	63	Owned	459,300	0.410%	0.205%
Dayton, OH	WKEF	51	64	Owned	453,960	0.405%	0.202%
Wichita-Hutchinson, KS	KSAS-TV	26	67	Owned	416,400	0.371%	0.186%
Wichita-Hutchinson, KS	KOCW	14	67	Owned			
Wichita-Hutchinson, KS	KAAS-TV	17	67	Owned			
Des Moines-Ames, IA	KDSM	16	68	Owned	416,020	0.371%	0.185%
Green Bay-Appleton, WI	WLUK-TV	11	69	Owned	415,890	0.371%	0.371%
Green Bay-Appleton, WI	WCWF	21	69	Owned			
Roanoke-Lynchburg, VA	WSET-TV	13	70	Owned	414,620	0.370%	0.370%
Flint-Saginaw-Bay City, MI	WSMH	16	71	Owned	411,210	0.367%	0.183%
Spokane, WA	KLEW-TV	32	72	Owned	410,900	0.366%	0.183%
Charleston-Huntington, WV	WCHS-TV	41	73	Owned	406,310	0.362%	0.181%

	REDACTED	Broadcast	Market	FOR PUBLIC INSPECTION			
SINCLAIR-000004 Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
Omaha, NE	KPTM	43	74	Owned	399,010	0.356%	0.178%
Rochester, NY	WUHF	28	76	Owned	384,380	0.343%	0.171%
Columbia, SC	WACH	48	77	Owned	384,190	0.343%	0.171%
Toledo, OH	WNWO-TV	49	78	Owned	379,120	0.338%	0.169%
Portland-Auburn, ME	WGME-TV	38	79	Owned	367,720	0.328%	0.164%
Madison, WI	WMSN-TV	49	81	Owned	366,690	0.327%	0.163%
Paducah, KY-Cape Girardeau, MO-Harrisburg, IL-Mt Vernon, IL	KBSI	22	82	Owned	354,790	0.316%	0.158%
Harlingen-Weslaco-Brownsville-McAllen, TX	KGBT-TV	31	84	Owned	351,810	0.314%	0.157%
Syracuse, NY	WSTM-TV	24	85	Owned	350,100	0.312%	0.156%
Champaign/Springfield-Decatur, IL	WICS	42	88	Owned	344,180	0.307%	0.153%
Champaign/Springfield-Decatur, IL	WICD	41	88	Owned (simulcast)			
Chattanooga, TN	WTVC	9	89	Owned	336,580	0.300%	0.300%
Savannah, GA	WTGS	28	90	Owned	328,860	0.293%	0.147%
Cedar Rapids-Waterloo-Iowa City-Dubuque, IA	KGAN	51	91	Owned	325,780	0.291%	0.145%
Charleston, SC	WCIV	34	92	Owned	320,980	0.286%	0.143%
El Paso, TX	KFOX-TV	15	93	Owned	318,260	0.284%	0.142%
El Paso, TX	KDBC-TV	18	93	Owned			
South Bend-Elkhart, IN	WSBT-TV	22	96	Owned	297,680	0.265%	0.133%
Tri-Cities, TN-VA	WCYB-TV	5	99	Owned	290,530	0.259%	0.259%
Greenville-New Bern-Washington, NC	WCTI-TV	12	100	Owned	285,650	0.255%	0.255%
Myrtle Beach-Florence, SC	WPDE-TV	16	101	Owned	281,550	0.251%	0.126%
Boise, ID	KBOI-TV	9	104	Owned	264,300	0.236%	0.236%
Reno, NV	KRXI-TV	44	105	Owned	263,990	0.235%	0.118%
Lincoln & Hastings-Kearney	KFXL-TV	13	106	Owned	263,110	0.235%	0.235%
	KHGI-TV	15	106	Owned			
	KNWB-TV	6	106	Owned (Satellite)			
Johnstown-Altoona-State College, PA	WJAC-TV	34	107	Owned	262,020	0.234%	0.117%
Tallahassee, FL-Thomasville, GA	WTWC-TV	40	108	Owned	257,570	0.230%	0.115%
Yakima-Pasco-Richland-Kennewick, WA	KIMA-TV	33	114	Owned	239,760	0.214%	0.107%

	REDACTED FOR PUBLIC INSPECTION						
SINCLAIR-000005 Market (Nielsen DMA)	Broadcast Station	Channel	Market Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
Yakima-Pasco-Richland-Kennewick, WA	KEPR-TV	18	114	Owned (Satellite)			
Traverse City-Cadillac, MI	WPBN-TV	47	118	Owned	233,370	0.208%	0.104%
Traverse City-Cadillac, MI	WTOM-TV	35	118	Owned (Satellite)			
Eugene, OR	KVAL-TV	13	119	Owned	231,570	0.206%	0.206%
Eugene, OR	KCBY-TV	11	119	Owned (Satellite)			
Eugene, OR	KPIC	19	119	Owned (Satellite)			
Macon, GA	WGXA	16	120	Owned	222,970	0.199%	0.099%
Peoria-Bloomington, IL	WHOI	19	122	Owned	222,210	0.198%	0.099%
Bakersfield, CA	KBAK	33	126	Owned	212,180	0.189%	0.095%
Corpus Christi, TX	KUQI	38	128	Owned	198,820	0.177%	0.089%
Amarillo, TX	KVII-TV	7	131	Owned	179,920	0.160%	0.160%
Amarillo, TX	KVIH-TV	12	131	Owned (Satellite)			
Chico-Redding, CA	KRCR-TV	7	132	Owned	179,370	0.160%	0.160%
Columbia-Jefferson City, MO	KRCG	12	135	Owned	163,790	0.146%	0.146%
Medford-Klamath Falls, OR	KTVL	10	136	Owned	163,600	0.146%	0.146%
Beaumont-Port Arthur, TX	KFDM-TV	25	142	Owned	156,020	0.139%	0.070%
Sioux City, IA	KPTH	49	148	Owned	144,180	0.129%	0.064%
Albany, GA	WFXL	12	154	Owned	134,510	0.120%	0.120%
Wheeling, WV-Steubenville, OH	WTOV-TV	9	158	Owned	121,320	0.108%	0.108%
Missoula, MT	KCFW-TV	9	164	Owned	113,110	0.101%	0.101%
Missoula, MT	KECI-TV	13	164	Owned			
Abilene-Sweetwater, TX	KTXS-TV	20	165	Owned	107,760	0.096%	0.048%
Quincy, IL-Hannibal, MO-Keokuk, IA	KHQA-TV	7	172	Owned	93,920	0.084%	0.084%
Butte-Bozeman, MT	KTVM-TV	6	185	Owned	69,060	0.062%	0.062%
Eureka, CA	KAEF-TV	22	195	Owned	56,660	0.051%	0.025%
Ottumwa, IA-Kirksville, MO	KTVO	33	200	Owned	42,990	0.038%	0.019%
				TOTAL	43,983,820	39.22%	24.69%
	Notes:						
	Based on Nielsen Local Television Market Universe Estimates ("Nielsen Report"). Audience estimates are as of January 1, 2017 and used throughout the 2017-2018 television season. Estimates are effective September 23, 2017. No more recent estimates have been released by Nielsen.						

SINCLAIR-000006	REDACTED FOR PUBLIC INSPECTION						
Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach

EXHIBIT 2

(RESPONSE TO REQUEST 1)

Sinclair + Tribune National Audience Reach

Computation of National Audience Share							
	REDACTED - FOR PUBLIC INSPECTION						
SINCLAIR-000008		Broadcast	Market				
Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
All US DMAs					112,143,960	100.00%	
New York, NY	WPIX	11	1	Pending Tribune Acquisition	7,074,750	6.31%	6.31%
Los Angeles, CA	KTLA	31	2	Pending Tribune Acquisition	5,318,630	4.74%	2.37%
Chicago, IL	WGN-TV	19	3	Pending Tribune Acquisition	3,299,720	2.94%	1.47%
Philadelphia, PA	WPHL-TV	17	4	Pending Tribune Acquisition	2,869,580	2.56%	1.28%
Dallas-Ft. Worth, TX	KDAF	32	5	Pending Tribune Acquisition	2,648,490	2.36%	1.18%
Washington D.C.	WJLA-TV	7	6	Owned	2,492,170	2.22%	2.22%
Washington D.C.	WDCW	50	6	Pending Tribune Acquisition			
Houston, TX	KIAH	38	7	Pending Tribune Acquisition	2,467,140	2.20%	1.10%
Seattle-Tacoma, WA	KOMO-TV	38	12	Owned			
Seattle-Tacoma, WA	KUNS-TV	50	12	Owned			
Seattle-Tacoma, WA	KCPQ	13	12	Pending Tribune Acquisition	1,880,750	1.68%	1.68%
Seattle-Tacoma, WA	KZJO	25	12	Pending Tribune Acquisition			
Minneapolis-St. Paul, MN	WUCW	22	15	Owned	1,730,430	1.54%	0.77%
Miami-Ft. Lauderdale, FL	WSFL-TV	19	16	Pending Tribune Acquisition	1,677,850	1.50%	0.75%
Denver, CO	KFCT	21	17	Pending Tribune Acquisition	1,589,560	1.42%	0.71%
Denver, CO	KDVR	32	17	Pending Tribune Acquisition			
Denver, CO	KWGN-TV	34	17	Pending Tribune Acquisition			
Cleveland-Akron (Canton), OH	WJW	8	19	Pending Tribune Acquisition	1,447,310	1.29%	1.29%
Sacramento-Stockton-Modesto, CA	KTXL	40	20	Pending Tribune Acquisition	1,412,940	1.26%	0.63%
St. Louis, MO	KDNL-TV	31	21	Owned	1,189,890	1.06%	0.53%
St. Louis, MO	KPLR-TV	26	21	Pending Tribune Acquisition			
St. Louis, MO	KTVI	43	21	Pending Tribune Acquisition			
Portland, OR	KATU	43	22	Owned	1,180,980	1.05%	0.53%
Portland, OR	KUNP	16	22	Owned			
Portland, OR	KRCW-TV	33	22	Pending Tribune Acquisition			
Pittsburgh, PA	WPGH-TV	43	24	Owned	1,141,950	1.02%	0.51%
Pittsburgh, PA	WPNT	42	24	Owned			
Raleigh-Durham, NC	WLFL	27	25	Owned	1,133,160	1.01%	0.51%
Raleigh-Durham, NC	WRDC	28	25	Owned			
Baltimore, MD	WBFF	46	26	Owned	1,108,010	0.99%	0.49%
Nashville, TN	WZTV	15	27	Owned	1,030,650	0.92%	0.46%
Nashville, TN	WUXP-TV	21	27	Owned			

	REDACTED	Broadcast	Market	FOR PUBLIC INSPECTION			
SINCLAIR-000009 Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
Indianapolis, IN	WTTK	29	28	Pending Tribune Acquisition	1,026,260	0.92%	0.46%
Indianapolis, IN	WXIN	45	28	Pending Tribune Acquisition			
Indianapolis, IN	WTTV	48	28	Pending Tribune Acquisition			
San Diego, CA	KSWB-TV	19	29	Pending Tribune Acquisition	1,002,770	0.89%	0.45%
Salt Lake City, UT	KUTV	34	30	Owned	948,840	0.85%	0.85%
Salt Lake City, UT	KMYU	9	30	Owned			
Salt Lake City, UT	KJZZ-TV	46	30	Owned			
Salt Lake City, UT	KSTU	28	30	Pending Tribune Acquisition			
San Antonio, TX	KABB	30	31	Owned	924,480	0.82%	0.41%
San Antonio, TX	WOAI-TV	48	31	Owned			
Hartford & New Haven, CT	WCCT-TV	20	32	Pending Tribune Acquisition	921,500	0.82%	0.41%
Hartford & New Haven, CT	WTIC-TV	31	32	Pending Tribune Acquisition			
Kansas City, MO	WDAF-TV	34	33	Pending Tribune Acquisition	901,020	0.80%	0.40%
Columbus, OH	WSYX	48	34	Owned	896,980	0.80%	0.40%
Cincinnati, OH	WKRC-TV	12	35	Owned	871,970	0.78%	0.78%
Milwaukee, WI	WCGV-TV	25	36	Owned	868,500	0.77%	0.39%
Milwaukee, WI	WVTV	18	36	Owned			
Milwaukee, WI	WITI	33	36	Pending Tribune Acquisition			
West Palm Beach-Ft. Pierce, FL	WPEC	13	38	Owned	829,110	0.74%	0.74%
West Palm Beach-Ft. Pierce, FL	WTVX	34	38	Owned			
Greenville-Spartanburg, SC-Asheville, NC	WLOS	13	38	Owned	809,190	0.72%	0.72%
Austin, TX	KEYE-TV	43	39	Owned	791,480	0.71%	0.35%
Las Vegas, NV	KSNV	22	40	Owned	757,400	0.68%	0.34%
Las Vegas, NV	KVCW	29	40	Owned			
Oklahoma City, OK	KOCB	33	41	Owned	705,840	0.63%	0.31%
Oklahoma City, OK	KOKH-TV	24	41	Owned			
Oklahoma City, OK	KFOR-TV	27	41	Pending Tribune Acquisition			
Oklahoma City, OK	KAUT-TV	40	41	Pending Tribune Acquisition			
Grand Rapids-Kalamazoo-Battle Creek, MI	WWMT	8	43	Owned	689,950	0.62%	0.62%
Grand Rapids-Kalamazoo-Battle Creek, MI	WXMI	19	43	Pending Tribune Acquisition			
Birmingham, AL	WABM	36	44	Owned	687,180	0.61%	0.31%
Birmingham, AL	WTTO	28	44	Owned			
Harrisburg-Lancaster-Lebanon-York, PA	WHP-TV	21	45	Owned	682,460	0.61%	0.30%
Harrisburg-Lancaster-Lebanon-York, PA	WPMT	47	45	Pending Tribune Acquisition			
Norfolk-Portsmouth-Newport News, VA	WTVZ-TV	33	47	Owned	673,820	0.60%	0.30%

	REDACTED FOR PUBLIC INSPECTION						
SINCLAIR-000010 Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
Greensboro-High Point-Winston-Salem, NC	WXLV-TV	29	48	Owned	672,650	0.60%	0.30%
Greensboro-High Point-Winston-Salem, NC	WMYV	33	48	Owned			
Greensboro-High Point-Winston Salem, NC	WGHP	35	48	Pending Tribune Acquisition			
Memphis, TN	WREG-TV	28	50	Pending Tribune Acquisition	649,360	0.58%	0.29%
New Orleans, LA	WNOL-TV	15	51	Pending Tribune Acquisition	638,020	0.57%	0.28%
New Orleans, LA	WGNO	26	51	Pending Tribune Acquisition			
Providence, RI-New Bedford, MA	WJAR	50	52	Owned	597,990	0.53%	0.27%
Buffalo, NY	WUTV	14	53	Owned	592,750	0.53%	0.26%
Buffalo, NY	WNYO-TV	49	53	Owned			
Fresno-Visalia, CA	KMPH-TV	28	54	Owned	574,610	0.51%	0.26%
Fresno-Visalia, CA	KFRE-TV	36	54	Owned			
Richmond-Petersburg, VA	WRLH-TV	26	55	Owned	566,930	0.51%	0.25%
Richmond-Petersburg, VA	WTVR-TV	25	55	Pending Tribune Acquisition			
Little Rock-Pine Bluff, AR	KATV	22	58	Owned	522,530	0.47%	0.23%
Mobile, Al-Pensacola, FL	WEAR-TV	17	59	Owned	522,260	0.47%	0.23%
Mobile, Al-Pensacola, FL	WFGX	50	59	Owned			
Albany-Schenectady-Troy, NY	WRGB	6	60	Owned	521,820	0.47%	0.47%
Albany-Schenectady-Troy, NY	WCWN	43	60	Owned			
Tulsa, OK	KTUL	10	62	Owned	516,540	0.46%	0.46%
Lexington, KY	WDKY-TV	31	63	Owned	459,300	0.41%	0.20%
Dayton, OH	WKEF	51	64	Owned	453,960	0.40%	0.20%
Wichita-Hutchinson, KS	KSAS-TV	26	67	Owned	416,400	0.37%	0.19%
Wichita-Hutchinson, KS	KOCW	14	67	Owned			
Wichita-Hutchinson, KS	KAAS-TV	17	67	Owned			
Des Moines-Ames, IA	KDSM	16	68	Owned			
Des Moines-Ames, IA	WHO-DT	13	68	Pending Tribune Acquisition	416,020	0.37%	0.37%
Green Bay-Appleton, WI	WLUK-TV	11	69	Owned	415,890	0.37%	0.37%
Green Bay-Appleton, WI	WCWF	21	69	Owned			
Roanoke-Lynchburg, VA	WSET-TV	13	70	Owned	414,620	0.37%	0.37%
Flint-Saginaw-Bay City, MI	WSMH	16	71	Owned	411,210	0.37%	0.18%
Spokane, WA	KLEW-TV	32	72	Owned	410,900	0.37%	0.18%
Charleston-Huntington, WV	WCHS-TV	41	73	Owned	406,310	0.36%	0.18%

	REDACTED	Broadcast	Market	FOR PUBLIC INSPECTION			
SINCLAIR-000011 Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
Omaha, NE	KPTM	43	74	Owned	399,010	0.36%	0.18%
Rochester, NY	WUHF	28	76	Owned	384,380	0.34%	0.17%
Columbia, SC	WACH	48	77	Owned	384,190	0.34%	0.17%
Toledo, OH	WNWO-TV	49	78	Owned	379,120	0.34%	0.17%
Portland-Auburn, ME	WGME-TV	38	79	Owned	367,720	0.33%	0.16%
Huntsville-Decatur (Florence), AL	WHNT-TV	19	80	Pending Tribune Acquisition	367,510	0.33%	0.16%
Madison, WI	WMSN-TV	49	81	Owned	366,690	0.33%	0.16%
Paducah, KY-Cape Girardeau, MO-Harrisburg, IL-Mt Vernon, IL	KBSI	22	82	Owned	354,790	0.32%	0.16%
Harlingen-Weslaco-Brownsville-McAllen, TX	KGBT-TV	31	84	Owned	351,810	0.31%	0.16%
Syracuse, NY	WSTM-TV	24	85	Owned	350,100	0.31%	0.16%
Champaign/Springfield-Decatur, IL	WICS	42	88	Owned	344,180	0.31%	0.15%
Champaign/Springfield-Decatur, IL	WICD	41	88	Owned (simulcast)			
Chattanooga, TN	WTVC	9	89	Owned	336,580	0.30%	0.30%
Savannah, GA	WTGS	28	90	Owned	328,860	0.29%	0.15%
Cedar Rapids-Waterloo-Iowa City-Dubuque, IA	KGAN	51	91	Owned	325,780	0.29%	0.15%
Charleston, SC	WCIV	34	92	Owned	320,980	0.29%	0.14%
El Paso, TX	KFOX-TV	15	93	Owned	318,260	0.28%	0.14%
El Paso, TX	KDBC-TV	18	93	Owned			
South Bend-Elkhart, IN	WSBT-TV	22	96	Owned	297,680	0.27%	0.13%
Ft. Smith-Fayetteville-Springdale-Rogers, AR	KFSM-TV	18	98	Pending Tribune Acquisition	292,160	0.26%	0.13%
Ft. Smith-Fayetteville-Springdale-Rogers, AR	KXNW	34	98	Pending Tribune Acquisition			
Tri-Cities, TN-VA	WCYB-TV	5	99	Owned	290,530	0.26%	0.26%
Greenville-New Bern-Washington, NC	WCTI-TV	12	100	Owned	285,650	0.25%	0.25%
Myrtle Beach-Florence, SC	WPDE-TV	16	101	Owned	281,550	0.25%	0.13%
Davenport, IA-Rock Island-Moline, IL	WQAD-TV	38	102	Pending Tribune Acquisition	277,950	0.25%	0.12%
Boise, ID	KBOI-TV	9	104	Owned	264,300	0.24%	0.24%
Reno, NV	KRXI-TV	44	105	Owned	263,990	0.24%	0.12%
Lincoln & Hastings-Kearney	KFXL-TV	13	106	Owned	263,110	0.23%	0.23%
	KHGI-TV	15	106	Owned			

	REDACTED	Broadcast	Market	FOR PUBLIC INSPECTION			
SINCLAIR-000012 Market (Nielsen DMA)	Station	Channel	Rank	Status	TV Households	Percentage US TV Households	National Audience Reach
	KNWB-TV	6	106	Owned (Satellite)			
Johnstown-Altoona-State College, PA	WJAC-TV	34	107	Owned	262,020	0.23%	0.12%
Tallahassee, FL-Thomasville, GA	WTWC-TV	40	108	Owned	257,570	0.23%	0.11%
Yakima-Pasco-Richland-Kennewick, WA	KIMA-TV	33	114	Owned	239,760	0.21%	0.11%
Yakima-Pasco-Richland-Kennewick, WA	KEPR-TV	18	114	Owned (Satellite)			
Traverse City-Cadillac, MI	WPBN-TV	47	118	Owned	233,370	0.21%	0.10%
Traverse City-Cadillac, MI	WTOM-TV	35	118	Owned (Satellite)			
Eugene, OR	KVAL-TV	13	119	Owned	231,570	0.21%	0.21%
Eugene, OR	KCBY-TV	11	119	Owned (Satellite)			
Eugene, OR	KPIC	19	119	Owned (Satellite)			
Macon, GA	WGXA	16	120	Owned	222,970	0.20%	0.10%
Peoria-Bloomington, IL	WHOI	19	122	Owned	222,210	0.20%	0.10%
Bakersfield, CA	KBAK	33	126	Owned	212,180	0.19%	0.09%
Corpus Christi, TX	KUQI	38	128	Owned	198,820	0.18%	0.09%
Amarillo, TX	KVII-TV	7	131	Owned	179,920	0.16%	0.16%
Amarillo, TX	KVIH-TV	12	131	Owned (Satellite)			
Chico-Redding, CA	KRCR-TV	7	132	Owned	179,370	0.16%	0.16%
Columbia-Jefferson City, MO	KRCG	12	135	Owned	163,790	0.15%	0.15%
Medford-Klamath Falls, OR	KTVL	10	136	Owned	163,600	0.15%	0.15%
Beaumont-Port Arthur, TX	KFDM-TV	25	142	Owned	156,020	0.14%	0.07%
Sioux City, IA	KPTH	49	148	Owned	144,180	0.13%	0.06%
Albany, GA	WFXL	12	154	Owned	134,510	0.12%	0.12%
Wheeling, WV-Steubenville, OH	WTOV-TV	9	158	Owned	121,320	0.11%	0.11%
Missoula, MT	KCFW-TV	9	164	Owned	113,110	0.10%	0.10%
Missoula, MT	KECI-TV	13	164	Owned			
Abilene-Sweetwater, TX	KTXS-TV	20	165	Owned	107,760	0.10%	0.05%
Quincy, IL-Hannibal, MO-Keokuk, IA	KHQA-TV	7	172	Owned	93,920	0.08%	0.08%
Butte-Bozeman, MT	KTVM-TV	6	185	Owned	69,060	0.06%	0.06%
Eureka, CA	KAEF-TV	22	195	Owned	56,660	0.05%	0.03%
Ottumwa, IA-Kirkville, MO	KTVO	33	200	Owned	42,990	0.04%	0.02%

	REDACTED FOR PUBLIC INSPECTION						
SINCLAIR-000013 Market (Nielsen DMA)	Broadcast Market				TV Households	Percentage US TV Households	National Audience Reach
	Station	Channel	Rank	Status			
			TOTAL		79,866,340	71.22%	45.52%
	Notes:						
	Based on Nielsen Local Television Market Universe Estimates ("Nielsen Report"). Audience estimates are as of January 1, 2017 and used throughout the 2017-2018 television season. Estimates are effective September 23, 2017. No more recent estimates have been released by Nielsen.						
	Includes all stations of which Sinclair is the licensee (identified as "Owned" in Column E) or for which Sinclair is the proposed transferee pursuant to pending Form 315 applications filed in connection with the Tribune transaction (identified as "Pending Tribune Acquisition" in Column E). Does not include LMA stations in which Sinclair has a cognizable interest under FCC rules unless such station would affect the national audience reach.						
	Does not include stations for which Sinclair may provide non-programming services pursuant to grandfathered JSAs, or in markets where Sinclair provides services to a station but does not hold an ownership interest in any station in such market, as Sinclair is not considered to hold a cognizable interest in such stations or markets under the Commission's Rules.						
	Does not include Class A stations or low power television stations, as they are not subject to Section 73.3555.						

EXHIBIT 3

(RESPONSE TO REQUEST 3)

Documents listing (1) the current independently owned and operating, full-power, commercial and noncommercial TV stations and (2) he independently owned and operating, full power, commercial and non-commercial TV stations that would remain Post-Transaction in the following markets:

1. Seattle-Tacoma, Washington
2. St. Louis, Missouri
3. Salt Lake City, Utah
4. Oklahoma City, Oklahoma
5. Greensboro-High Point-Winston Salem, North Carolina
6. Grand Rapids-Kalamazoo-Battle Creek, Michigan
7. Harrisburg-Lancaster-Lebanon-York, Pennsylvania
8. Richmond-Petersburg, Virginia
9. Des Moines-Ames, Iowa
10. Portland, Oregon



Seattle-Tacoma, WA Market Overview

TV Mkt Rank: 14

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	14	2	12	6	8	33	4
2016	14	2	12	6	8	36	4

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$19,000	\$20,670	\$22,360	\$24,060	\$25,760	\$27,450	7.6%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★ ★

Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$254,100	\$270,700	\$249,200	\$257,900	\$233,500	\$251,700	-0.2%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
7.8%	\$250,400	\$262,900	\$265,500	\$287,800	\$273,400	1.7%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$124,400	\$132,100	\$140,200	\$148,900	\$158,100	\$167,900	6.2%

Seattle-Tacoma, WA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est. '16 Retran Rev. (000)
KSTW	Tacoma	11.0	100	905	CW	InHse		CBS TV	53	9706	sw	13,925	5.5%	5.5%	5.6%	5.5%	5.4%	3,900
KCPQ	Tacoma	13.0	30	2,001	FOX	TelRp		Tribune Media Co	80	1212	g	43,200	17.2%	17.1%	16.0%	15.9%	15.9%	22,000
● KTBW-TV	Tacoma	14.0	90	cp	1,552	TBN		Trinity Bcstg Ntwk	84	8410		400	0.2%	0.2%	0.2%	0.2%	0.2%	
KBCB	Bellingham	19.0	165	2,484	SBN			Venture Technologies	97			1,800	0.7%	0.7%	0.7%	0.7%	0.6%	
KZJO	Seattle	25.0	1,000	cp	951	My	TelRp	Tribune Media Co	85	1212	g	7,000	2.8%	3.3%	3.4%	3.4%	3.4%	2,500
KONG	Everett	31.0	679	722	IND	TelRp		TEGNA	97	1312	g	10,250	4.1%	4.1%	4.2%	4.2%	4.1%	4,700
KWPX-TV	Bellevue	33.0	400	2,349	ION	InHse		ION Media Networks	89	0801	g	5,500	2.2%	2.0%	2.0%	2.0%	2.0%	
KVOS-TV	Bellingham	35.0	580	cp	2,622	Me	KatzT	OTA Bcstg LLC	53	1203	2,900	5,025	2.0%	1.8%	1.8%	1.8%	1.8%	
KOMO-TV	Seattle	38.0	1,000	cp	850	ABC	Eagle	Sinclair Bcst Group	53	1308		55,950	22.2%	22.2%	22.7%	22.6%	22.6%	32,800
KIRO-TV	Seattle	39.0	1,000	cp	843	CBS	HRP	Cox Media Group	58	9705	sw	43,800	17.4%	17.6%	17.1%	17.7%	18.0%	27,300
● KFFV	Seattle	44.0	169	cp	689	SHP	InHse	OTA Bcstg LLC	00	1110	5,050	100						
KING-TV	Seattle	48.0	960	cp	784	NBC	TelRp	TEGNA	48	1312	g	60,800	24.2%	24.1%	25.0%	24.8%	24.9%	30,700
KUNS-TV	Bellevue	50.0	1,000	cp	801	UNI	UNI	Sinclair Bcst Group	99	1308		2,800	1.1%	1.1%	1.0%	1.0%	1.0%	500
K23KI-D	Seattle	23.0	1	cp	-328	INS		Iglesia Pentecostal	13									
KUSE-LD	Seattle	46.0	1		2,313	REL		Mako Communications	09									
*KCTS-TV	Seattle	9.0	22		817	PBS		Cascade Public Media	54									
*KCKA	Centralia	19.0	187		1,139	PBS		Bates Tech College	82	9709	g1							
●*KBTC-TV	Tacoma	27.0	100		722	PBS		Bates Tech College	61	9709	g1							
●*KWDK	Tacoma	42.0	144	cp	2,280	Dst		Daystar TV Network	00	0003	na							

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

Investing In Television® 2017 1st Edition

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TV Mkt Rank: 14



Seattle-Tacoma, WA Market Overview

TV Mkt Rank: 14

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	14	2	12	6	8	33	4
2016	14	2	12	6	8	36	4

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$19,000	\$20,670	\$22,360	\$24,060	\$25,760	\$27,450	7.6%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★ ★

Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$254,100	\$270,700	\$249,200	\$257,900	\$233,500	\$251,700	-0.2%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
7.8%	\$247,900	\$260,200	\$262,800	\$284,900	\$270,600	1.5%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$124,400	\$132,100	\$140,200	\$148,900	\$158,100	\$167,900	6.2%

Seattle-Tacoma, WA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
KSTW	Tacoma	11.0	100	905		CW	InHse	CBS TV	53	9706	sw	13,925	5.5%	5.5%	5.6%	5.5%	5.4%	3,900
KCPQ	Tacoma	13.0	30	2,001		FOX	TelRp	Sinclair Bcst Group	80	1705 p	g9	43,200	17.2%	17.1%	16.0%	15.9%	15.9%	22,000
KTBW-TV	Tacoma	14.0	90 cp	1,552		TBN		Trinity Bcstg Ntwk	84	8410		400	0.2%	0.2%	0.2%	0.2%	0.2%	
KBCB	Bellingham	19.0	165	2,484		SBN		Venture Technologies	97			1,800	0.7%	0.7%	0.7%	0.7%	0.6%	
KZJO	Seattle	25.0	1,000 cp	951		My	TelRp	Sinclair Bcst Group	85	1705 p	g9	7,000	2.8%	3.3%	3.4%	3.4%	3.4%	2,500
KONG	Everett	31.0	679	722		IND	TelRp	TEGNA	97	1312	g	10,250	4.1%	4.1%	4.2%	4.2%	4.1%	4,700
KWPX-TV	Bellevue	33.0	400	2,349		ION	InHse	ION Media Networks	89	0801	g	5,500	2.2%	2.0%	2.0%	2.0%	2.0%	
KVOS-TV	Bellingham	35.0	580 cp	2,622		Me	KatzT	OTA Bcstg LLC	53	1203	2,900	5,025	2.0%	1.8%	1.8%	1.8%	1.8%	
● KOMO-TV	Seattle	38.0	1,000 cp	850		ABC	Eagle	Sinclair Bcst Group	53	1308		55,950	22.2%	22.2%	22.7%	22.6%	22.6%	32,800
KIRO-TV	Seattle	39.0	1,000 cp	843		CBS	HRP	Cox Media Group	58	9705	sw	43,800	17.4%	17.6%	17.1%	17.7%	18.0%	27,300
KFFV	Seattle	44.0	169 cp	689		SHP	InHse	OTA Bcstg LLC	00	1110	5,050	100						
KING-TV	Seattle	48.0	960 cp	784		NBC	TelRp	TEGNA	48	1312	g	60,800	24.2%	24.1%	25.0%	24.8%	24.9%	30,700
● KUNS-TV	Bellevue	50.0	1,000 cp	801		UNI	UNI	Sinclair Bcst Group	99	1308		2,800	1.1%	1.1%	1.0%	1.0%	1.0%	500
KDMD-LD	Tacoma	6.0	1 cp	371		IND		Denver Digital TV	15									
K23KI-D	Seattle	23.0	1 cp	-328		INS		Iglesia Pentecostal	13									
KUSE-LD	Seattle	46.0	1	2,313		REL		Mako Communications	09									
*KCTS-TV	Seattle	9.0	22	817		PBS		Cascade Public Media	54									
*KCKA	Centralia	19.0	187	1,139		PBS		Bates Tech College	82	9709	g1							
*KBTC-TV	Tacoma	27.0	100	722		PBS		Bates Tech College	61	9709	g1							
*KWDK	Tacoma	42.0	144 cp	2,280		Dst		Daystar TV Network	00	0003	na							

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.



St. Louis, MO Market Overview

TV Mkt Rank: 21

COMMERCIAL STATIONS								OVER-THE-AIR ESTIMATED GROSS REVENUES ★	Market Television Financials (all figures in 000's, except percentages and ratios)						
Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations		2011	2012	2013	2014	2015	2016	Δ 11 - 16
2015	21	0	14	5	9	19	1		\$175,500	\$206,100	\$180,200	\$189,200	\$173,000	\$204,300	3.1%
2016	21	0	14	5	9	22	1		Δ 15 - 16 18.0%	2017 \$186,900	2018 \$207,500	2019 \$201,200	2020 \$221,300	2021 \$201,400	Δ 16 - 21 -0.3%
Online/Interactive Gross Revenue									Retransmission Consent Market Revenue						
2016	2017	2018	2019	2020	2021	Δ 16 - 21			2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$16,370	\$17,290	\$18,600	\$19,930	\$21,240	\$22,520	6.6%		\$57,800	\$61,100	\$64,500	\$68,200	\$72,000	\$76,100	5.7%	

St. Louis, MO Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev. (000)
KNLC	St. Louis	14.0	900	1,300	REL			New Life Evangel Ctr	82			400	0.2%	0.3%	0.3%	0.3%	0.2%	
● WPXS	Mount Vernon	21.0	350 cp	299	Dst			Daystar TV Network	83	0504	10,000sw	300	0.1%	0.2%	0.2%	0.2%	0.2%	15,100
KMOV	St. Louis	24.0	1,000	1,119	CBS	TelRp		Meredith Corp	54	1312	176,940	56,300	27.6%	21.7%	22.0%	21.4%	22.0%	2,000
KPLR-TV	St. Louis	26.0	1,000	945	1 CW	TelRp		Tribune Media Co	59	1212		g	15,000	7.3%	8.6%	8.5%	8.8%	7,500
KDNL-TV	St. Louis	31.0	1,000	1,052	ABC	Mlinm		Sinclair Bcst Group	69	9608		g	15,900	7.8%	7.2%	7.7%	7.5%	18,600
KSDK	St. Louis	35.0	838	1,112	NBC	TelRp		TEGNA	47	9512		g	56,000	27.4%	28.8%	29.1%	29.4%	14,600
● KTVI	St. Louis	43.0	1,000 cp	1,106	1 FOX	Mlinm		Tribune Media Co	53	1312		55,500	27.2%	31.2%	31.2%	31.6%	31.5%	
● WRBU	East St Louis	47.0	109 cp	1,043	ION	InHse		Northwest Bcstg	89	1501 p	6,0000	2,125	1.0%	1.0%	1.0%	1.0%	1.0%	
K25NG-D	St. Louis	25.0	15	387	3AB			Three Angels Bcstg	13									
W29CI-D	Salem	29.0	15	430	3AB			Three Angels Bcstg	89									
KEFN-CD	St. Louis	49.0	15 cp	666	REL			Eternal Family Net	92									
W50CH-D	Alton	50.0	15 cp	174	IND			Liberty Comm Inc	00									
KPTN-LD	St. Louis	36.0	2 cp	755	HSN			Landover Wireless	90	1306 p								
W42EM-D	Mount Vernon	42.0	6	43	DRK			DTV Amerlca Corp	15									
● KETC	St. Louis	39.0	143 cp	1,064	PBS	InHse		St Louis Rgl Public	54									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See Introduction section for interpretation of revenue estimates.

Investing In Television® 2017 1st Edition

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TV Mkt Rank: 21

St. Louis, MO Market Overview

TV Mkt Rank: 21

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	21	0	14	5	9	19	1
2016	21	0	14	5	9	22	1

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$16,370	\$17,290	\$18,600	\$19,930	\$21,240	\$22,520	6.6%

**OVER-THE-AIR
ESTIMATED
GROSS
REVENUES**

★

Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$175,500	\$206,100	\$180,200	\$189,200	\$173,000	\$204,300	3.1%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
18.0%	\$180,700	\$200,600	\$194,600	\$214,000	\$194,700	-0.9%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$57,800	\$61,100	\$64,500	\$68,200	\$72,000	\$76,100	5.7%

St. Louis, MO Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
● KNLC	St. Louis	14.0	900	1,300	REL			Weigel Bcstg Co	82	1709 p	3,750	400	0.2%	0.3%	0.3%	0.3%	0.2%	
WPXS	Mount Vernon	21.0	350	cp 299	Dst			Daystar TV Network	83	0504	10,000sw	300	0.1%	0.2%	0.2%	0.2%	0.2%	
KMOV	St. Louis	24.0	1,000	1,119	CBS		TelRp	Meredith Corp	54	1312	176,940	56,300	27.6%	21.7%	22.0%	21.4%	22.0%	15,100
KPLR-TV	St. Louis	26.0	1,000	945	1 CW		TelRp	Sinclair Bcst Group	59	1705 p	g9	15,000	7.3%	8.6%	8.5%	8.5%	8.8%	2,000
● KDNL-TV	St. Louis	31.0	1,000	1,052	ABC		Milnm	Sinclair Bcst Group	69	9608	g	15,900	7.8%	7.2%	7.7%	7.5%	7.0%	7,500
KSDK	St. Louis	35.0	838	1,112	NBC		TelRp	TEGNA	47	9512	g	56,000	27.4%	28.8%	29.1%	29.4%	29.3%	18,600
● KTVI	St. Louis	43.0	1,000	cp 1,106	1 FOX		Milnm	Sinclair Bcst Group	53	1705 p	g9	55,500	27.2%	31.2%	31.2%	31.6%	31.5%	14,600
● WRBU	East St Louis	47.0	109	cp 1,043	ION		InHse	ION Media Networks	89	1707 p	0	2,125	1.0%	1.0%	1.0%	1.0%	1.0%	
K25NG-D	St. Louis	25.0	15	387	3AB			Three Angels Bcstg	13									
W29CI-D	Salem	29.0	15	430	3AB			Three Angels Bcstg	89									
● KEFN-CD	St. Louis	49.0	15	cp 666	REL			Eternal Family Net	92									
W50CH-D	Alton	50.0	15	cp 174	IND			Liberty Comm Inc	00									
● KPTN-LD	St. Louis	36.0	2	cp 755	HSN			Mako Communications	90	0505	na							
● W42EM-D	Mount Vernon	42.0	6	cp 43	DRK			DTV America Corp	15									
*KETC	St. Louis	39.0	143	cp 1,064	PBS		InHse	St Louis Rgl Public	54									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

Investing In Television® 2017 3rd Edition

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TV Mkt Rank: 21



Salt Lake City, UT Market Overview

TV Mkt Rank: 34

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	34	3	18	6	15	36	5
2016	34	3	18	7	14	50	5

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$9,500	\$10,250	\$9,760	\$9,230	\$8,660	\$8,090	-3.2%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES
★ ★

Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$128,900	\$143,100	\$133,400	\$140,000	\$120,900	\$118,700	-1.6%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
-1.8%	\$123,400	\$131,400	\$134,100	\$144,300	\$141,400	3.6%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$59,100	\$63,100	\$67,500	\$72,100	\$77,100	\$82,400	6.9%

Salt Lake City, UT Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
KMYU	St. George	9.0	3	141	My	TelRp		Sinclair Bcst Group	99	1201	g	1,000	0.8%	1.2%	1.1%	1.1%	0.7%	1,300
KUTF	Logan	12.0	22	2,264	Dst			Daystar TV Network	02	0907	g3							
KCSG	Cedar City	14.0	25	1,263	H&I	InHse		West American Finan	90	1606	500	375	0.3%	0.3%	0.3%	0.1%	0.1%	
KTMW	Salt Lake City	20.0	55	3,842	TEL			Serestar Comm Corp	01	1508	3,000	100	0.1%	0.1%	0.1%	0.1%	0.1%	
KPNZ	Ogden	24.0	450	4,032	EST			Liberian Bcstg Inc	98	0712	10,000	800	0.7%	0.8%	1.1%	1.0%	1.1%	
KSTU	Salt Lake City	28.0	350	3,970	FOX	FOX		Tribune Media Co	78	1312		31,000	26.1%	25.6%	17.9%	18.0%	18.1%	9,500
KUPX-TV	Provo	29.0	530	3,842	ION	InHse		ION Media Networks	85	0801	g	750	0.6%	0.6%	0.5%	0.5%	0.5%	
KUTH-DT	Provo	32.0	194	cp 2,664	UNI	UNI		Univision	03	0703	g2	1,100	0.9%	1.0%	1.5%	1.5%	1.6%	4,100
KUTV	Salt Lake City	34.0	423	4,157	CBS	TelRp		Sinclair Bcst Group	54	1201	g	29,000	24.4%	23.1%	25.0%	25.1%	25.1%	13,700
● KSL-TV	Salt Lake City	38.0	546	cp 4,157	NBC	Eagle		Bonneville Intl Corp	49			29,500	24.9%	23.6%	23.8%	24.0%	24.1%	10,700
● KTVX	Salt Lake City	40.0	476	cp 4,121	ABC	Contl		Nexstar Media Group	48	1212	g	14,325	12.1%	12.8%	13.2%	13.1%	13.3%	14,500
● KJZZ-TV	Salt Lake City	46.0	200	cp 4,154	IND			Sinclair Bcst Group	89	1606	6,500	3,200	2.7%	3.6%	9.6%	9.7%	9.6%	2,200
● KUCW	Ogden	48.0	200	cp 4,124	CW	Contl		Nexstar Media Group	85	1212	g	4,650	3.9%	5.3%	4.5%	4.5%	4.5%	3,000
KENV-DT	Elko	10.0	2	1,845	2	NBC		Cunningham Bcstg	97	1312 p								
KULX-CD	Ogden	14.0	15	3,918	TEL	Telmn		Serestar Comm Corp	09	1510	725	1,325	1.1%	0.7%	0.8%	0.8%	0.8%	
KCVB-CD	Logan	26.0	1	1,709	IND			Cache Valley Bdcstg	94	0108	20							
● KEJT-CD	Salt Lake City	50.0	15	cp 3,904	TEL	Telmn		Comcast/NBC	94	1101	g							
KUTA-LD	Logan	8.0	1	820	Yto			Airwaves Inc	02			25						
KUTO-LD	Logan	15.0	3	1,070	Rvn			Soule Video Prod	12									
● KPDR-LD	Salt Lake City	19.0	11	1,007	Yto	InHse		KPDR Partners	07	1006	25							
KBTU-LD	Salt Lake City	23.0	5	3,786	INS			DTV America Corp	03	1507	425							
K24KV-D	Logan	24.0	1	1,076	IBN			Weiss, Randall & Adr	15	1312	4							
KDLU-LP	St. George	^26	1	154	NBC			Cherry Creek Radio	96	1406	c1							
KUCL-LD	Salt Lake City	26.0	13	-758	3AB			Christian Life Bcstg	93									
KJDN-LD	Logan	39.0	3	1,070	Rvn			Soule Video Prod	14									
K50LW-D	Logan	50.0	1	-810	Yto			Airwaves Inc	13									
● KUEW	St. George	18.0	2	218	PBS			University of Utah	03									
*KUES	Richfield	19.0	1	1,447	PBS			University of Utah	01									
*KUEN	Ogden	36.0	200	4,121	EDU			UT State Bd Regents	86									
● KUED	Salt Lake City	42.0	239	cp 4,154	PBS			University of Utah	58									
● KBYU-TV	Provo	44.0	346	cp 4,124	PBS			Brigham Young Univ	65									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.



Salt Lake City, UT Market Overview

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	34	3	18	6	15	36	5
2016	34	3	18	7	14	50	5

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$9,500	\$10,250	\$9,760	\$9,230	\$8,660	\$8,090	-3.2%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★ ★

Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$128,900	\$143,100	\$133,400	\$140,000	\$120,900	\$118,700	-1.6%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
-1.8%	\$119,900	\$127,700	\$130,200	\$140,100	\$137,300	3.0%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$59,100	\$63,100	\$67,500	\$72,100	\$77,100	\$82,400	6.9%

Salt Lake City, UT Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
KMYU	St. George	9.0	3	141	My	TelRp		Sinclair Bcst Group	99	1201	g	1,000	0.8%	1.2%	1.1%	1.1%	0.7%	1,300
KUTF	Logan	12.0	22	2,264	Dst			Daystar TV Network	02	0907	g3							
● KCSG	Cedar City	14.0	25	1,263	H&I	InHse		Weigel Bcstg Co	90	1707 p	1,100	375	0.3%	0.3%	0.3%	0.1%	0.1%	
KTMW	Salt Lake City	20.0	55	3,842	TEL			Serestar Comm Corp	01	1508	3,000	100	0.1%	0.1%	0.1%	0.1%	0.1%	
KPNZ	Ogden	24.0	450	4,032	EST			Liberstar Bcstg Inc	98	0712	10,000	800	0.7%	0.8%	1.1%	1.0%	1.1%	
KSTU	Salt Lake City	28.0	350	3,970	FOX	FOX		Sinclair Bcst Group	78	1705 p	g9	31,000	26.1%	25.6%	17.9%	18.0%	18.1%	9,500
KUPX-TV	Provo	29.0	530	3,842	ION	InHse		ION Media Networks	85	0801	g	750	0.6%	0.6%	0.5%	0.5%	0.5%	
KUTH-DT	Provo	32.0	194 cp	2,664	UNI	UNI		Univision	03	0703	g2	1,100	0.9%	1.0%	1.5%	1.5%	1.6%	4,100
KUTV	Salt Lake City	34.0	423	4,157	CBS	TelRp		Sinclair Bcst Group	54	1201	g	29,000	24.4%	23.1%	25.0%	25.1%	25.1%	13,700
KSL-TV	Salt Lake City	38.0	546 cp	4,157	NBC	Eagle		Bonneville Intl Corp	49			29,500	24.9%	23.6%	23.8%	24.0%	24.1%	10,700
KTVX	Salt Lake City	40.0	476 cp	4,121	ABC	KatzT		Nexstar Media Group	48	1212	g	14,325	12.1%	12.8%	13.2%	13.1%	13.3%	14,500
KJZZ-TV	Salt Lake City	46.0	200 cp	4,154	IND			Sinclair Bcst Group	89	1606	6,500	3,200	2.7%	3.6%	9.6%	9.7%	9.6%	2,200
KUCW	Ogden	48.0	200 cp	4,124	CW	KatzT		Nexstar Media Group	85	1212	g	4,650	3.9%	5.3%	4.5%	4.5%	4.5%	3,000
KENV-DT	Elko	10.0	2	1,845	2 NBC			Cunningham Bcstg	97	1312 p								
KULX-CD	Ogden	14.0	15	3,918	TEL	Telmn		Serestar Comm Corp	09	1510	725	1,325	1.1%	0.7%	0.8%	0.8%	0.8%	
KCVB-CD	Logan	26.0	1	1,709	IND			Cache Valley Bdcstg	94	0108	20							
KEJT-CD	Salt Lake City	50.0	15 cp	3,904	TEL	Telmn		Comcast/NBC	94	1101	g							
KUTA-LD	Logan	8.0	1	820	Yto			Airwaves Inc	02			25						
KUTO-LD	Logan	15.0	3	1,070	Rvn			Soule Video Prod	12									
KPDR-LD	Salt Lake City	19.0	11	1,007	Yto	InHse		KPDR Partners	07	1006	25							
KBTU-LD	Salt Lake City	23.0	5	3,786	INS			DTV America Corp	03	1507	425							
K24KV-D	Logan	24.0	1	1,076	IBN			Edge Spectrum Inc	15	1706	g7							
KDLU-LP	St. George	26	1	154	NBC			Cherry Creek Radio	96	1406	c1							
KUCL-LD	Salt Lake City	26.0	13	-758	3AB			Christian Life Bcstg	93									
KJDN-LD	Logan	39.0	3	1,070	Rvn			Soule Video Prod	14									
K50LW-D	Logan	50.0	1	-810	Yto			Airwaves Inc	13									
*KUEW	St. George	18.0	2	218	PBS			University of Utah	03									
*KUES	Richfield	19.0	1	1,447	PBS			University of Utah	01									
*KUEN	Ogden	36.0	200	4,121	EDU			UT State Bd Regents	86									
*KUED	Salt Lake City	42.0	239 cp	4,154	PBS			University of Utah	58									
*KBYU-TV	Provo	44.0	346 cp	4,124	PBS			Brigham Young Univ	65									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

SINCLAIR-000021

REDACTED - FOR PUBLIC INSPECTION
(Pre-Transaction Voices Showing)



Oklahoma City, OK Market Overview

TV Mkt Rank: 41

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	43	1	20	6	15	31	2
2016	41	1	19	6	14	43	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$6,250	\$6,680	\$6,840	\$6,970	\$7,040	\$7,080	2.5%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★★★

Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$111,100	\$123,800	\$122,900	\$132,700	\$125,200	\$124,700	2.3%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
-0.4%	\$128,400	\$133,600	\$136,300	\$144,500	\$134,400	1.5%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$40,500	\$43,000	\$45,600	\$48,500	\$51,500	\$54,700	6.2%

Oklahoma City, OK Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
KOCO-TV	Oklahoma City	7.0	66	1,480	ABC	HRP		Hearst Television	54	9707	g	27,000	21.7%	20.6%	19.8%	20.7%	22.1%	9,300
KTBO-TV	Oklahoma City	15.0	700	1,175	TBN			Trinity Bcstg Ntwk	81			375	0.3%	0.3%	0.3%	0.2%	0.2%	
KSBI	Oklahoma City	23.0	1,000	1,085	CBS	TelRp		Griffin Comm	88	1412	3,200na	1,525	1.2%	1.1%	1.2%	1.3%	2.4%	300
KOKH-TV	Oklahoma City	24.0	1,000	1,561	FOX	Mlinm		Sinclair Bcst Group	59	0201	g	17,000	13.6%	14.4%	14.3%	14.7%	13.6%	11,600
KFOR-TV	Oklahoma City	27.0	790	1,604	NBC	Mlinm		Tribune Media Co	49	1312		28,000	22.5%	23.2%	22.8%	22.0%	23.4%	8,500
KTUZ-TV	Shawnee	29.0	1,000	1,555	TEL	Telmn		Tyler Media Corp	00	0409	12,500	1,100	0.9%	1.1%	1.2%	1.2%	1.2%	400
KOCB	Oklahoma City	33.0	900	1,501	CW	Mlinm		Sinclair Bcst Group	79	9606	g	5,000	4.0%	4.4%	5.1%	5.3%	5.5%	1,600
KUOK	Woodward		8	646	UNI	UNI		Tyler Media Corp	05	0907	800g3	1,500	1.2%	1.1%	1.2%	1.1%	1.1%	300
● KWTU-DT	Oklahoma City	39.0	1,000	cp	1,568	CBS	TelRp	Griffin Comm	53	6401		37,000	29.7%	29.0%	28.7%	28.0%	25.3%	8,500
● KAUT-TV	Oklahoma City	40.0	1,000	cp	1,433	IND	Mlinm	Tribune Media Co	80	1312		3,000	2.4%	2.4%	2.6%	2.6%	2.8%	
● KOCM	Norman	46.0	50	cp	1,365	Dst		Daystar TV Network	04	0209	3,600cp							
● KOPX-TV	Oklahoma City	50.0	200	cp	1,585	ION	InHse	ION Media Networks	96	0801	g	700	0.6%	0.4%	0.4%	0.4%	0.4%	
● KUOT-CD	Oklahoma City	19.0	15	cp	689	IBN		Weiss, Randall & Adr	96									
KOMI-CD	Woodward	34.0	15		1,112	Yto		Omni Bcstg Co Inc	96									
KUOK-CD	Oklahoma City	36.0	7		551	UNI	UNI	Tyler Media Corp	02	0907	g3							
● KOHC-CD	Oklahoma City	45.0	15	cp	236	AZT		Sunshine State TV	01	0412	590							
K17JN-D	Enid	17.0	1	cp	177	3AB		Clarion Communicatio	14	1405	30							
K19IR-D	Enid		1	cp	177	IBN		Weiss, Randall & Adr	14									
KTOU-LD	Oklahoma City	21.0	4		489	HSN		Mako Communications	01									
KLHO-LD	Oklahoma City	31.0	15		430	INS		TV Alabanza Min	11	1110	dn							
KBZC-LD	Enid	42.0	7		295	ASN		DTV America Corp	14									
● KUOC-LD	Enid	48.0	8		584	IND		DTV America Corp	13									
*KWET	Cheyenne	8.0	60		995	PBS		Oklahoma ETV	78									
*KETA-TV	Oklahoma City	13.0	50		1,518	PBS		Oklahoma ETV	56									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

Investing in Television® 2017 1st Edition

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TV Mkt Rank: 41



Oklahoma City, OK Market Overview

TV Mkt Rank: 41

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	43	1	20	6	15	31	2
2016	41	1	19	6	14	43	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$6,250	\$6,680	\$6,840	\$6,970	\$7,040	\$7,080	2.5%

**OVER-THE-AIR
ESTIMATED
GROSS
REVENUES**

Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$111,100	\$123,800	\$122,900	\$132,700	\$125,200	\$124,700	2.3%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
-0.4%	\$125,900	\$131,000	\$133,600	\$141,700	\$131,700	1.1%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$40,500	\$43,000	\$45,600	\$48,500	\$51,500	\$54,700	6.2%

Oklahoma City, OK Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
KOCO-TV	Oklahoma City	7.0	66	1,480	ABC	HRP	Hearst Television		54	9707	g	27,000	21.7%	20.6%	19.8%	20.7%	22.1%	9,300
KTBO-TV	Oklahoma City	15.0	700	1,175	TBN		Trinity Bcstg Ntwk		81			375	0.3%	0.3%	0.3%	0.2%	0.2%	
KSBI	Oklahoma City	23.0	1,000	1,085	CBS	TelRp	Griffin Comm		88	1412	3,200na	1,525	1.2%	1.1%	1.2%	1.3%	2.4%	300
KOKH-TV	Oklahoma City	24.0	1,000	1,561	FOX	MLnm	Sinclair Bcst Group		59	0201	g	17,000	13.6%	14.4%	14.3%	14.7%	13.6%	11,600
KFOR-TV	Oklahoma City	27.0	790	1,604	NBC	MLnm	Sinclair Bcst Group		49	1705 p	g9	28,000	22.5%	23.2%	22.8%	22.0%	23.4%	8,500
KTUZ-TV	Shawnee	29.0	1,000	1,555	TEL	Telmn	Tyler Media Corp		00	0409	12,500	1,100	0.9%	1.1%	1.2%	1.2%	1.2%	400
KOCB	Oklahoma City	33.0	900	1,501	CW	MLnm	Sinclair Bcst Group		79	9606	g	5,000	4.0%	4.4%	5.1%	5.3%	5.5%	1,600
KUOK	Woodward		8	646	UNI	UNI	Tyler Media Corp		05	0907	800g3	1,500	1.2%	1.1%	1.2%	1.1%	1.1%	300
● KWTU-DT	Oklahoma City	39.0	1,000	cp	1,568	CBS	TelRp	Griffin Comm	53	6401		37,000	29.7%	29.0%	28.7%	28.0%	25.3%	8,500
● KAUT-TV	Oklahoma City	40.0	1,000	cp	1,433	IND	MLnm	Sinclair Bcst Group	80	1705 p	g9	3,000	2.4%	2.4%	2.6%	2.6%	2.8%	
KOCM	Norman	46.0	50	cp	1,365	Dst		Daystar TV Network	04	0209	3,600cp							
● KOPX-TV	Oklahoma City	50.0	200	cp	1,585	ION	InHse	ION Media Networks	96	0801	g	700	0.6%	0.4%	0.4%	0.4%	0.4%	
● KUOT-CD	Oklahoma City	19.0	15	cp	689	IBN		Edge Spectrum Inc	96	1706								
KOMI-CD	Woodward	34.0	15		1,112	Yto		Omni Bcstg Co Inc	96									
KUOK-CD	Oklahoma City	36.0	7		551	UNI	UNI	Tyler Media Corp	02	0907	g3							
● KOHC-CD	Oklahoma City	45.0	15	cp	236	AZT		Sunshine State TV	01	0412	590							
K17JN-D	Enid	17.0	1	cp	177	3AB		Clarion Communicatio	14	1405	30							
K19IR-D	Enid		1	cp	177	IBN		Edge Spectrum Inc	14	1706	g7							
KTOU-LD	Oklahoma City	21.0	4		489	HSN		Mako Communications	01									
KLHO-LD	Oklahoma City	31.0	15		430	INS		TV Alabanza Min	11	1110	dn							
● KBZC-LD	Enid	42.0	7		295	Stm		DTV America Corp	14									
KUOC-LD	Enid	48.0	8		584	IND		DTV America Corp	13									
*KWET	Cheyenne	8.0	60		995	PBS		Oklahoma ETV	78									
*KETA-TV	Oklahoma City	13.0	50		1,518	PBS		Oklahoma ETV	56									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

SINCLAIR-000023

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(Pre-Transaction Voices Showing)



Greensboro-High Point-Winston Salem, NC Market Overview

TV Mkt Rank: 46

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	46	0	8	6	2	22	1
2016	46	0	8	6	2	24	1

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$5,340	\$5,990	\$6,620	\$7,280	\$7,960	\$8,670	10.2%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★

Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$65,500	\$80,300	\$69,700	\$79,800	\$63,000	\$70,800	1.6%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
12.4%	\$68,300	\$70,300	\$71,700	\$81,800	\$80,900	2.7%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$41,700	\$44,200	\$46,900	\$49,800	\$52,800	\$56,000	6.1%

Greensboro-High Point-Winston Salem, NC Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
● WGPX-TV	Burlington	14.0	95	cp	699	ION	InHse	ION Media Networks	84	0801	g	800	1.1%	0.7%	0.6%	0.6%	0.6%	800
WCWG	Lexington	19.0	800		1,890	1 CW	TelRp	Lockwood Bcstg	86	1309	2,750	3,600	5.1%	5.6%	5.6%	5.7%	6.0%	800
WXLV-TV	Winston Salem	29.0	990		1,890	ABC	MlInm	Sinclair Bcst Group	79	9807	g	6,000	8.5%	7.6%	7.0%	6.6%	7.1%	11,600
● WXII-TV	Winston Salem	31.0	815	cp	1,877	NBC	Eagle	Hearst Television	53	9811	g	20,800	29.4%	30.2%	31.1%	28.7%	25.6%	9,300
● WMYV	Greensboro	33.0	700	cp	1,886	My	MlInm	Sinclair Bcst Group	81	0201	g	4,550	6.4%	6.3%	6.5%	6.5%	5.4%	1,200
● WGHP	High Point	35.0	1,000	cp	1,198	FOX	TelRp	Tribune Media Co	63	1312		14,500	20.5%	22.9%	22.9%	25.3%	29.8%	8,000
WLXI	Greensboro	43.0	130		1,729	REL		TCT Ministries Inc	84	9110	1,900	125	0.2%	0.2%	0.3%	0.2%	0.2%	
● WFMY-TV	Greensboro	51.0	1,000	cp	1,866	CBS	TelRp	TEGNA	49	8801	g	19,400	27.4%	25.2%	24.6%	25.8%	24.7%	10,900
●*WUNL-TV	Winston Salem	32.0	575	cp	1,637	PBS		University of NC	73									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

TV Mkt Rank: 46

TV Mkt Rank: 46



Greensboro-High Point-Winston Salem, NC Market Overview

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	46	0	8	6	2	22	1
2016	46	0	8	6	2	24	1

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$5,340	\$5,990	\$6,620	\$7,280	\$7,960	\$8,670	10.2%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

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Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$65,500	\$80,300	\$69,700	\$79,800	\$63,000	\$70,800	1.6%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
12.4%	\$67,600	\$69,600	\$71,000	\$80,900	\$80,100	2.5%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$41,700	\$44,200	\$46,900	\$49,800	\$52,800	\$56,000	6.1%

Greensboro-High Point-Winston Salem, NC Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
WGPX-TV	Burlington	14.0	95	cp	699	ION	InHse	ION Media Networks	84	0801	g	800	1.1%	0.7%	0.6%	0.6%	0.6%	800
WCWG	Lexington	19.0	800	1,890	1	CW	TelRp	Lockwood Bcstg	86	1309	2,750	3,600	5.1%	5.6%	5.6%	5.7%	6.0%	11,600
WXLV-TV	Winston Salem	29.0	990	1,890		ABC	Mllnm	Sinclair Bcst Group	79	9807	g	6,000	8.5%	7.6%	7.0%	6.6%	7.1%	9,300
WXII-TV	Winston Salem	31.0	815	cp	1,877	NBC	Eagle	Hearst Television	53	9811	g	20,800	29.4%	30.2%	31.1%	28.7%	25.6%	1,200
WMYV	Greensboro	33.0	700	cp	1,886	My	Mllnm	Sinclair Bcst Group	81	0201	g	4,550	6.4%	6.3%	6.5%	6.5%	5.4%	8,000
● WGHP	High Point	35.0	1,000	cp	1,198	FOX	TelRp	Sinclair Bcst Group	63	1705 p	g9	14,500	20.5%	22.9%	22.9%	25.3%	29.8%	
WLXI	Greensboro	43.0	130	1,729		REL		TCT Ministries Inc	84	9110	1,900	125	0.2%	0.2%	0.3%	0.2%	0.2%	10,900
WFMV-TV	Greensboro	51.0	1,000	cp	1,866	CBS	TelRp	TEGNA	49	8801	g	19,400	27.4%	25.2%	24.6%	25.8%	24.7%	
* WUNL-TV	Winston Salem	32.0	575	cp	1,637	PBS		University of NC	73									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

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TV Mkt Rank: 46

SINCLAIR-000025

REDACTED - FOR PUBLIC INSPECTION
(Pre-Transaction Voices Showing)



Grand Rapids-Kalamazoo-Battle Creek, MI Market Overview

TV Mkt Rank: 44

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	41	3	14	12	5	33	2
2016	44	3	14	12	5	36	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$9,000	\$10,300	\$10,480	\$10,590	\$10,660	\$10,660	3.4%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★ ★

Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$82,100	\$109,500	\$82,500	\$101,200	\$96,900	\$108,400	5.7%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
11.9%	\$104,600	\$112,400	\$110,200	\$119,000	\$113,100	0.9%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$41,400	\$43,800	\$46,400	\$49,200	\$52,100	\$55,200	5.9%

Grand Rapids-Kalamazoo-Battle Creek, MI Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
WOOD-TV	Grand Rapids	7.0	30	945		NBC		Nexstar Media Group	49	1701	g	27,250	25.1%	25.1%	31.1%	30.1%	32.1%	9,400
WWMT	Kalamazoo	8.0	25	843		CBS	TelRp	Sinclair Bcst Group	50	1204	g	26,900	24.8%	25.8%	22.7%	22.5%	24.0%	11,700
WZZM	Grand Rapids	13.0	25	1,064		ABC	TelRp	TEGNA	62	9701	sw	20,400	18.8%	19.6%	18.0%	18.0%	17.4%	9,700
WXMI	Grand Rapids	19.0	725	1,004		FOX	TelRp	Tribune Media Co	82	1212	g	23,000	21.2%	20.6%	18.7%	18.5%	18.0%	8,600
● WOTV	Battle Creek	20.0	255	cp	1,079	ABC		Nexstar Media Group	71	1701	g	3,325	3.1%	2.6%	3.4%	4.0%	3.6%	1,100
WTLJ	Muskegon	24.0	310	929		REL		TCT Ministries Inc	86	9201	1,500							
● WZPX-TV	Battle Creek	44.0	212	cp	1,001	ION	InHse	ION Media Networks	96	0801	g	3,000	2.8%	2.2%	2.1%	2.1%	2.0%	
● WLLA	Kalamazoo	45.0	440	cp	1,085	IND	InHse	Christian Faith Bcst	88									
● WOBC-CD	Battle Creek	14.0	1	cp	285	My		Nexstar Media Group	02	1701	g							1,000
WXSP-CD	Grand Rapids	15.0	15	397		My		Nexstar Media Group	86	1701	g	1,475	1.4%	1.5%	1.8%	2.7%	2.3%	
WOGC-CD	Holland	25.0	1	364		NBC		Nexstar Media Group	02	1701	g							
WOMS-CD	Muskegon	29.0	1	463		My		Nexstar Media Group	91	1701	g							
WOHO-CD	Holland	33.0	1	345		My		Nexstar Media Group	00	1701	g							
● WOLP-CD	Grand Rapids	41.0	15	cp		My		Nexstar Media Group	98	1701	g							
● WMKG-CD	Muskegon	49.0	15	cp	200	AMG		WMKG-TV LLC	03	1701 p	225							
● WOKZ-CD	Kalamazoo	50.0	1	cp	230	My		Nexstar Media Group	02	1701	g							
● W48CL	Grand Rapids	^48	16	361		3AB		Edge Spectrum Inc	00	1703 p	g7							
*WGVK	Kalamazoo	5.0	10	554		PBS		Grand Valley St Univ	84									
*WGVU-TV	Grand Rapids	11.0	42	853		PBS		Grand Valley St Univ	72									

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

TV Mkt Rank: 44



Grand Rapids-Kalamazoo-Battle Creek, MI Market Overview

TV Mkt Rank: 44

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	41	3	14	12	5	33	2
2016	44	3	14	12	5	36	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$9,000	\$10,300	\$10,480	\$10,590	\$10,660	\$10,660	3.4%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★ ★

Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$82,100	\$109,500	\$82,500	\$101,200	\$96,900	\$108,400	5.7%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
11.9%	\$104,000	\$111,800	\$109,600	\$118,400	\$112,500	0.7%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$41,400	\$43,800	\$46,400	\$49,200	\$52,100	\$55,200	5.9%

Grand Rapids-Kalamazoo-Battle Creek, MI Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
WOOD-TV	Grand Rapids	7.0	30	945		NBC		Nexstar Media Group	49	1701	g	27,250	25.1%	25.1%	31.1%	30.1%	32.1%	9,400
WWMT	Kalamazoo	8.0	25	843		CBS	TelRp	Sinclair Bcst Group	50	1204	g	26,900	24.8%	25.8%	22.7%	22.5%	24.0%	11,700
WZZM	Grand Rapids	13.0	25	1,064		ABC	TelRp	TEGNA	62	9701	sw	20,400	18.8%	19.6%	18.0%	18.0%	17.4%	9,700
WXMI	Grand Rapids	19.0	725	1,004		FOX	TelRp	Sinclair Bcst Group	82	1705 p	g9	23,000	21.2%	20.6%	18.7%	18.5%	18.0%	8,600
WOTV	Battle Creek	20.0	255 cp	1,079		ABC		Nexstar Media Group	71	1701	g	3,325	3.1%	2.6%	3.4%	4.0%	3.6%	1,100
WTLJ	Muskegon	24.0	310	929		REL		TCT Ministries Inc	86	9201	1,500							
WZPX-TV	Battle Creek	44.0	212 cp	1,001		ION	InHse	ION Media Networks	96	0801	g	3,000	2.8%	2.2%	2.1%	2.1%	2.0%	
WLLA	Kalamazoo	45.0	440 cp	1,085		REL	InHse	Christian Faith Bcst	88									
WOBC-CD	Battle Creek	14.0	1 cp	285		My		Nexstar Media Group	02	1701	g							
WXSP-CD	Grand Rapids	15.0	15	397		My		Nexstar Media Group	86	1701	g	1,475	1.4%	1.5%	1.8%	2.7%	2.3%	1,000
WOGC-CD	Holland	25.0	1	364		NBC		Nexstar Media Group	02	1701	g							
WOMS-CD	Muskegon	29.0	1	463		My		Nexstar Media Group	91	1701	g							
WOHO-CD	Holland	33.0	1	345		My		Nexstar Media Group	00	1701	g							
WOLP-CD	Grand Rapids	41.0	15 cp			My		Nexstar Media Group	98	1701	g							
WMKG-CD	Muskegon	49.0	15	105		AMG		WMKG-TV LLC	03	1705	225							
WOKZ-CD	Kalamazoo	50.0	1 cp	230		My		Nexstar Media Group	02	1701	g							
W48CL	Grand Rapids	^48	16	361		3AB		Edge Spectrum Inc	00	1708	97							
*WGVK	Kalamazoo	5.0	10	554		PBS		Grand Valley St Univ	84									
*WGVU-TV	Grand Rapids	11.0	42	853		PBS		Grand Valley St Univ	72									

^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

TV Mkt Rank: 44

SINCLAIR-000027

REDACTED - FOR PUBLIC INSPECTION
(Pre-Transaction Voices Showing)

TV Mkt Rank: 43



Harrisburg-Lancaster-Lebanon-York, PA Market Overview

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	44	2	4	5	1	10	1
2016	43	2	4	5	1	12	1

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$5,000	\$5,480	\$5,450	\$5,400	\$5,320	\$5,200	0.8%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★★

Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$85,900	\$96,600	\$88,400	\$100,000	\$95,200	\$112,200	5.5%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
17.9%	\$102,100	\$110,200	\$107,500	\$123,100	\$122,500	1.8%
Retransmission Consent Market Revenue						
2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$42,600	\$45,100	\$47,700	\$50,600	\$53,500	\$56,700	5.9%

Harrisburg-Lancaster-Lebanon-York, PA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev. (000)
WGAL	Lancaster	8.0	32	1,375		NBC	HRP	Hearst Television	49	9811	g	40,450	36.1%	35.7%	35.0%	37.7%	38.8%	10,300
WHTM-TV	Harrisburg	10.0	16	1,021		ABC	Contl	Nexstar Media Group	53	1701	g	23,575	21.0%	20.0%	20.9%	16.5%	17.0%	10,400
● WHP-TV	Harrisburg	21.0	750 cp	1,211		CBS	Mlinm	Sinclair Bcst Group	53	0706	g	20,500	18.3%	15.8%	15.4%	15.7%	14.5%	12,900
● WXBU	Lancaster	23.0	500	1,250	1	Grt	Mlinm	Howard Stirk Holding	57	1511		300	0.3%	4.8%	5.2%	5.3%	4.3%	
WGCB-TV	Red Lion	30.0	500	572		Coz		NRJ TV	79	1212	9,000	1,500	1.3%	2.2%	2.2%	2.3%	2.3%	9,000
WPMT	York	47.0	933	1,263		FOX	TelRp	Tribune Media Co	52	1212	g	19,000	16.9%	20.5%	20.5%	21.8%	22.5%	
*WITF-TV	Harrisburg	36.0	50	1,348		PBS		WITF Inc	64									

Digital Multicast Signals

Calls	City Of License	Ch	Visual Power (kW)	HAAT	Aff	Rep	Owner	Est '16 Revenue (000) 1/	'16 Adv Rev. Share
WGAL-D2	Lancaster	8.2	32		Me	HRP	Hearst Television	1,000	0.9%
WHTM-D2	Harrisburg	10.2	16		ION	Contl	Nexstar Media Group		
WHTM-D3	Harrisburg	10.3	16		get	Contl	Nexstar Media Group	1,000	0.9%
● WHP-D2	Harrisburg	21.2	750 cp		My	Mlinm	Sinclair Bcst Group	4,600	4.1%
● WHP-D3	Harrisburg	21.3	750 cp		CW	Mlinm	Sinclair Bcst Group	50	
● WXBU-D2	Lancaster	23.2	500		Cmt	Mlinm	Howard Stirk Holding		
● WXBU-D3	Lancaster	23.3	500		DRK	Mlinm	Howard Stirk Holding		
WGCB-D3	Red Lion	30.3	500		Chg		NRJ TV		
WGCB-D4	Red Lion	30.4	500		Esc		NRJ TV	175	0.2%
WPMT-D2	York	47.2	933		Ant	TelRp	Tribune Media Co		
WPMT-D3	York	47.3	933		Ths	TelRp	Tribune Media Co		
WGCB-D2	Red Lion	49.2	500		Coz		NRJ TV		

- Indicates a change since last edition
- Δ Indicates Analog Channel
- 1/ See introduction section for interpretation of revenue estimates.



Harrisburg-Lancaster-Lebanon-York, PA Market Overview

TV Mkt Rank: 43

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	44	2	4	5	1	10	1
2016	43	2	4	5	1	12	1

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$5,000	\$5,480	\$5,450	\$5,400	\$5,320	\$5,200	0.8%

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Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$85,900	\$96,600	\$88,400	\$100,000	\$95,200	\$112,200	5.5%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
17.9%	\$102,100	\$110,200	\$107,500	\$123,100	\$122,500	1.8%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$42,600	\$45,100	\$47,700	\$50,600	\$53,500	\$56,700	5.9%

Harrisburg-Lancaster-Lebanon-York, PA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev. (000)
WGAL	Lancaster	8.0	32	1,375		NBC	HRP	Hearst Television	49	9811	g	40,450	36.1%	35.7%	35.0%	37.7%	38.8%	10,300
WHTM-TV	Harrisburg	10.0	16	1,021		ABC	Contl	Nexstar Media Group	53	1701	g	23,575	21.0%	20.0%	20.9%	16.5%	17.0%	10,400
WHP-TV	Harrisburg	21.0	750 cp	1,211		CBS	Mlinm	Sinclair Bcst Group	53	0706	g	20,500	18.3%	15.8%	15.4%	15.7%	14.5%	12,900
WXBU	Lancaster	23.0	500	1,250	1	Grt	Mlinm	Howard Stirk Holding	57	1511		300	0.3%	4.8%	5.2%	5.3%	4.3%	
WGCB-TV	Red Lion	30.0	500	572		Coz		NRJ TV	79	1212	9,000	1,500	1.3%	2.2%	2.2%	2.3%	2.3%	
WPMT	York	47.0	933	1,263		FOX	TelRp	Sinclair Bcst Group	52	1705 p	g9	19,000	16.9%	20.5%	20.5%	21.8%	22.5%	9,000
*WITF-TV	Harrisburg	36.0	50	1,348		PBS		WITF Inc	64									

Digital Multicast Signals

Calls	City Of License	Ch	Visual Power (kW)	HAAT	Aff	Rep	Owner	Est '16 Revenue (000) 1/	'16 Adv Rev. Share
WGAL-D2	Lancaster	8.2	32		Me	HRP	Hearst Television	1,000	0.9%
WHTM-D2	Harrisburg	10.2	16		ION	Contl	Nexstar Media Group		
WHTM-D3	Harrisburg	10.3	16		get	Contl	Nexstar Media Group		
WHP-D2	Harrisburg	21.2	750 cp		My	Mlinm	Sinclair Bcst Group	1,000	0.9%
WHP-D3	Harrisburg	21.3	750 cp		CW	Mlinm	Sinclair Bcst Group	4,600	4.1%
WXBU-D2	Lancaster	23.2	500		Cmt	Mlinm	Howard Stirk Holding	50	
WXBU-D3	Lancaster	23.3	500		DRK	Mlinm	Howard Stirk Holding		
WGCB-D3	Red Lion	30.3	500		Chg		NRJ TV		
WGCB-D4	Red Lion	30.4	500		Esc		NRJ TV		
WPMT-D2	York	47.2	933		Ant	TelRp	Sinclair Bcst Group	175	0.2%
WPMT-D3	York	47.3	933		Ths	TelRp	Sinclair Bcst Group		
WGCB-D2	Red Lion	49.2	500		Coz		NRJ TV		

^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

SINCLAIR-000029

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(Pre-Transaction Voices Showing)

Richmond-Petersburg, VA Market Overview

TV Mkt Rank: 55

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	56	1	5	5	1	11	2
2016	55	1	5	5	1	11	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$6,400	\$7,190	\$8,370	\$9,690	\$11,170	\$12,810	14.9%

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Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$89,400	\$107,600	\$90,900	\$88,400	\$84,900	\$83,100	-1.5%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
-2.1%	\$86,800	\$94,700	\$92,300	\$102,400	\$103,400	4.5%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$35,400	\$37,600	\$39,900	\$42,300	\$45,000	\$47,700	6.1%

Richmond-Petersburg, VA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
● WWBT	Richmond	12.0	26 cp	794		NBC	HRP	Raycom Media Inc	56	0804	g	24,825	29.9%	30.6%	30.1%	30.9%	32.6%	9,300
● WRIC-TV	Petersburg	22.0	850 cp	1,077		ABC	TelRp	Nexstar Media Group	55	1701	g	17,250	20.8%	21.7%	21.4%	22.0%	21.5%	8,300
● WTVR-TV	Richmond	25.0	410 cp	1,139		CBS	Eagle	Tribune Media Co	48	1212		22,000	26.5%	24.7%	24.7%	24.0%	24.4%	6,500
● WRLH-TV	Richmond	26.0	800 cp	1,075		FOX	MIInm	Sinclair Bcst Group	82	9807	g	14,000	16.8%	17.7%	18.2%	17.7%	15.8%	10,300
● WUPV	Ashland	47.0	1,000 cp	817		CW	HRP	American Spirit Med	90	1104	g	4,350	5.2%	4.7%	5.0%	5.1%	5.6%	900
● WXOB-LP	Richmond	^17	23 cp	728		IND		New York Spectrum	97	1203	300							
*WCVE-TV	Richmond	42.0	160 cp	1,136		PBS	InHse	Commonwealth Public	64									
*WCVV	Richmond	44.0	112 cp	1,076		PBS	InHse	Commonwealth Public	66									

Digital Multicast Signals

Calls	City Of License	Ch	Visual Power (kW)	HAAT	Aff	Rep	Owner	Est '16 Revenue (000) 1/	'16 Adv Rev. Share
● WWBT-D2	Richmond	12.2	26 cp		Me	HRP	Raycom Media Inc		
● WWBT-D3	Richmond	12.3	26 cp		Esc	HRP	Raycom Media Inc		
● WRIC-D2	Petersburg	22.2	850 cp		ION	TelRp	Nexstar Media Group		
● WRIC-D3	Petersburg	22.3	850 cp		get	TelRp	Nexstar Media Group		
● WTVR-D2	Richmond	25.3	410 cp		Ant	Eagle	Tribune Media Co	250	0.3%
● WRLH-D2	Richmond	26.2	800 cp		TBD	MIInm	Sinclair Bcst Group	400	0.5%
● WRLH-D3	Richmond	26.3	800 cp		Cmt	MIInm	Sinclair Bcst Group		
● WRLH-D4	Richmond	26.4	800 cp		Chg	MIInm	Sinclair Bcst Group		
● WCVE-D2	Richmond	42.2	160 cp		CRT	InHse	Commonwealth Public		
● WCVE-D3	Richmond	42.3	160 cp		WDV	InHse	Commonwealth Public		
● WUPV-D2	Ashland	47.2	1,000 cp		BNC	HRP	American Spirit Med		
● WUPV-D3	Ashland	47.3	1,000 cp		Grt	HRP	American Spirit Med		

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.



Richmond-Petersburg, VA Market Overview

TV Mkt Rank: 55

COMMERCIAL STATIONS

	Mkt	# VHF	# UHF	# Network	# Ind	# Multicast	# PTV
Year	Rank	Stations	Stations	Affiliates	Stations	Signals	Stations
2015	56	1	5	5	1	11	2
2016	55	1	5	5	1	11	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$6,400	\$7,190	\$8,370	\$9,690	\$11,170	\$12,810	14.9%

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Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$89,400	\$107,600	\$90,900	\$88,400	\$84,900	\$83,100	-1.5%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
-2.1%	\$85,600	\$93,300	\$90,900	\$100,900	\$102,000	4.2%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$35,400	\$37,600	\$39,900	\$42,300	\$45,000	\$47,700	6.1%

Richmond-Petersburg, VA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
● WWBT	Richmond	12.0	26 cp	794		NBC	HRP	Raycom Media Inc	56	0804	g	24,825	29.9%	30.6%	30.1%	30.9%	32.6%	9,300
● WRIC-TV	Petersburg	22.0	850 cp	1,077		ABC	TelRp	Nexstar Media Group	55	1701	g	17,250	20.8%	21.7%	21.4%	22.0%	21.5%	8,300
● WTVR-TV	Richmond	25.0	410 cp	1,139		CBS	Eagle	Sinclair Bcst Group	48	1705 p	g9	22,000	26.5%	24.7%	24.7%	24.0%	24.4%	6,500
● WRLH-TV	Richmond	26.0	800 cp	1,075		FOX	MIInm	Sinclair Bcst Group	82	9807	g	14,000	16.8%	17.7%	18.2%	17.7%	15.8%	10,300
● WUPV	Ashland	47.0	1,000 cp	817		CW	HRP	American Spirit Med	90	1104	g	4,350	5.2%	4.7%	5.0%	5.1%	5.6%	900
● WXOB-LP	Richmond	^17	23 cp	728		IND		New York Spectrum	97	1203	300							
● *WCVE-TV	Richmond	42.0	160 cp	1,136		PBS	InHse	Commonwealth Public	64									
● *WCVV	Richmond	44.0	112 cp	1,076		PBS	InHse	Commonwealth Public	66									

Digital Multicast Signals

Calls	City Of License	Ch	Visual Power (kW)	HAAT	Aff	Rep	Owner	Est '16 Revenue (000) 1/	'16 Adv Rev. Share
● WWBT-D2	Richmond	12.2	26 cp		Me	HRP	Raycom Media Inc		
● WWBT-D3	Richmond	12.3	26 cp		Esc	HRP	Raycom Media Inc		
● WRIC-D2	Petersburg	22.2	850 cp		ION	TelRp	Nexstar Media Group		
● WRIC-D3	Petersburg	22.3	850 cp		get	TelRp	Nexstar Media Group		
● WTVR-D2	Richmond	25.3	410 cp		Ant	Eagle	Sinclair Bcst Group	250	0.3%
● WRLH-D2	Richmond	26.2	800 cp		TBD	MIInm	Sinclair Bcst Group	400	0.5%
● WRLH-D3	Richmond	26.3	800 cp		Cmt	MIInm	Sinclair Bcst Group		
● WRLH-D4	Richmond	26.4	800 cp		Chg	MIInm	Sinclair Bcst Group		
● WCVE-D2	Richmond	42.2	160 cp		CRT	InHse	Commonwealth Public		
● WCVE-D3	Richmond	42.3	160 cp		WDV	InHse	Commonwealth Public		
● WUPV-D2	Ashland	47.2	1,000 cp		BNC	HRP	American Spirit Med		
● WUPV-D3	Ashland	47.3	1,000 cp		Grt	HRP	American Spirit Med		

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.



Des Moines-Ames, IA Market Overview

TV Mkt Rank: 69

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	72	3	6	5	4	16	3
2016	69	3	6	5	4	29	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$3,500	\$3,970	\$4,470	\$5,010	\$5,570	\$6,180	12.0%

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Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$61,800	\$86,900	\$61,500	\$92,600	\$73,200	\$84,500	6.4%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
15.4%	\$79,000	\$80,500	\$83,000	\$99,600	\$99,100	3.3%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$25,900	\$27,500	\$29,200	\$30,900	\$32,800	\$34,800	6.1%

Des Moines-Ames, IA Competitive Overview

			Visual		L					Sales	Est '16	'16	'15	'14	'13	'12	Est '16
	City Of		Power		M				Year	Date	Price	Revenue	Adv Rev.	Adv Rev.	Adv Rev.	Adv Rev.	Retran
Calls	License	Ch	(kW)	HAAT	A	Aff	Rep	Owner	Std	Acq'd	(000)	(000) 1/	Share	Share	Share	Share	Rev.(000)
WOI-DT	Ames	5.0	14	1,857		ABC	KatzT	Nexstar Media Group	50	1403	35,500	7,875	9.3%	9.3%	13.3%	13.4%	8,000
KCCI	Des Moines	8.0	28	1,959		CBS	HRP	Hearst Television	55	9811	g	36,000	42.6%	41.7%	40.1%	41.0%	5,400
WHO-DT	Des Moines	13.0	37	1,969		NBC	MIInm	Tribune Media Co	54	1312		25,000	29.6%	30.9%	29.7%	29.7%	4,900
● KDSM-TV	Des Moines	16.0	1,000	2,008		FOX	MIInm	Sinclair Bcst Group	83	9608	g	10,000	11.8%	12.3%	11.7%	11.6%	6,700
● KDMI	Des Moines	19.0	839	2,001		REL		Radiant Life Ministr	06	1703 p	g	275	0.3%	0.4%	0.3%	0.4%	
KCWI-TV	Ames	23.0	246	2,001		CW	TelRp	Nexstar Media Group	01	1603	3,500	2,075	2.5%	3.4%	3.0%	3.0%	900
● KFPX-TV	Newton	39.0	116 cp	505		ION	InHse	ION Media Networks	99	0801	g	625	0.7%	0.4%	0.3%	0.4%	
WBXF-CD	Des Moines	28.0	9	397		SBN		L4 Media Group	88	0509	g						
● KDAO-CD	Marshalltown	44.0	1 cp	105		RTV	InHse	MTN Broadcasting Inc	12								
K28NF-D	Fort Dodge		1 cp	0		BNC		DTV America Corp	15								
KAJR-LD	Fort Dodge		1 cp	0		SHP		DTV America Corp	15								
KCYM-LD	Fort Dodge		1 cp	0		NMx		DTV America Corp	16								
*KDIN-TV	Des Moines	11.0	23	1,969		PBS		Iowa Public Bcstg Bd	59								
*KTIN	Fort Dodge	25.0	600	1,165		PBS		Iowa Public Bcstg Bd	77								

Allocations: DTV Ch 26, Des Moines

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

Investing In Television® 2017 1st Edition

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TV Mkt Rank: 69



Des Moines-Ames, IA Market Overview

TV Mkt Rank: 69

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	72	3	6	5	4	16	3
2016	69	3	6	5	4	29	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$3,500	\$3,970	\$4,470	\$5,010	\$5,570	\$6,180	12.0%

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Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$61,800	\$86,900	\$61,500	\$92,600	\$73,200	\$84,500	6.4%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
15.4%	\$77,700	\$79,300	\$81,600	\$98,000	\$97,500	2.9%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$25,900	\$27,500	\$29,200	\$30,900	\$32,800	\$34,800	6.1%

Des Moines-Ames, IA Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev. (000)
WOI-DT	Ames	5.0	14	1,857		ABC	KatzT	Nexstar Media Group	50	1403	35,500	7,875	9.3%	9.3%	13.3%	13.4%	11.5%	8,000
KCCI	Des Moines	8.0	28	1,959		CBS	HRP	Hearst Television	55	9811	g	36,000	42.6%	41.7%	40.1%	40.1%	41.0%	5,400
WHO-DT	Des Moines	13.0	37	1,969		NBC	MIInm	Sinclair Bcst Group	54	1705 p	g9	25,000	29.6%	30.9%	29.7%	29.7%	30.4%	4,900
KDSM-TV	Des Moines	16.0	1,000	2,008		FOX	MIInm	Sinclair Bcst Group	83	9608	g	10,000	11.8%	12.3%	11.7%	11.6%	11.9%	6,700
● KDMI	Des Moines	19.0	839	2,001		REL		Radiant Life Ministr	06	1704	g	275	0.3%	0.4%	0.3%	0.4%	0.4%	
KCWI-TV	Ames	23.0	246	2,001		CW	TelRp	Nexstar Media Group	01	1603	3,500	2,075	2.5%	3.4%	3.0%	3.0%	3.0%	900
KFPX-TV	Newton	39.0	116 cp	505		ION	InHse	ION Media Networks	99	0801	g	625	0.7%	0.4%	0.3%	0.4%	0.4%	
WBXF-CD	Des Moines	28.0	9	397		SBN		L4 Media Group	88	0509	g							
KDAO-CD	Marshalltown	44.0	1 cp	105		RTV	InHse	MTN Broadcasting Inc	12									
K28NF-D	Fort Dodge		1 cp	0		DRK		DTV America Corp	15									
KAJR-LD	Fort Dodge		1 cp	0		SHP		DTV America Corp	15									
KCYM-LD	Fort Dodge		1 cp	0		NMx		DTV America Corp	16									
*KDIN-TV	Des Moines	11.0	23	1,969		PBS		Iowa Public Bcstg Bd	59									
*KTIN	Fort Dodge	25.0	600	1,165		PBS		Iowa Public Bcstg Bd	77									

Allocations: DTV Ch 26, Des Moines

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.



Portland, OR Market Overview

TV Mkt Rank: 25

COMMERCIAL STATIONS

Year	Mkt Rank	# VHF Stations	# UHF Stations	# Network Affiliates	# Ind Stations	# Multicast Signals	# PTV Stations
2015	24	2	22	7	17	30	2
2016	25	2	21	7	16	32	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$13,000	\$14,200	\$15,420	\$16,670	\$17,920	\$19,180	8.1%

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Market Television Financials (all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$142,100	\$151,400	\$135,000	\$149,700	\$129,700	\$147,100	0.7%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
13.4%	\$136,000	\$140,100	\$143,500	\$160,800	\$162,400	2.0%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$72,600	\$77,300	\$82,200	\$87,500	\$93,100	\$99,000	6.4%

Portland, OR Competitive Overview

			Visual		L					Sales	Est '16	'16	'15	'14	'13	'12	Est '16	
	City Of		Power		M				Year	Date	Price	Revenue	Adv Rev.	Adv Rev.	Adv Rev.	Adv Rev.	Retran	
Calls	License	Ch	(kW)	HAAT	A	Aff	Rep	Owner	Std	Acq'd	(000)	(000) 1/	Share	Share	Share	Share	Rev.(000)	
KGW	Portland	8.0	45	1,719			NBC	HRP	TEGNA	56	1512	na	37,300	25.4%	26.8%	26.7%	26.9%	18,200
KPTV	Portland	12.0	25	1,736			FOX	TelRp	Meredith Corp	55	0203	sw	25,000	17.0%	18.9%	18.4%	18.5%	14,700
KUNP	La Grande	16.0	19	2,494	2		UNI	UNI	Sinclair Bcst Group	01	1308		2,500	1.7%	1.6%	1.6%	1.6%	1,000
KPXG-TV	Salem	22.0	1,000	1,673			ION	InHse	ION Media Networks	81	0801	g	3,500	2.4%	1.9%	1.7%	1.6%	
KPDX	Vancouver	30.0	741	1,732			My	TelRp	Meredith Corp	83	9701	216,000g	9,000	6.1%	5.9%	5.8%	6.3%	1,500
KRCW-TV	Salem	33.0	750	1,717			CW	TelRp	Tribune Media Co	89	1212	g	8,400	5.7%	6.2%	6.3%	6.2%	2,000
● KOIN	Portland	40.0	1,000	cp			CBS	HRP	Nexstar Media Group	53	1701	g	28,100	19.1%	16.6%	17.9%	18.0%	15,700
● KATU	Portland	43.0	1,000	cp			ABC	Eagle	Sinclair Bcst Group	62	1308		31,400	21.3%	21.0%	20.5%	20.0%	19,400
● KNMT	Portland	45.0	1,000	cp			TBN		Trinity Bcstg Ntwk	89	0809		150	0.1%	0.1%	0.1%		
KRHP-CD	The Dalles	14.0	1	-564			REL		Pettitt, Robert H.	95			50					
KORS-CD	Portland	16.0	15	1,437			IND		WatchTV, Inc.	94								
KOXI-CD	Portland	20.0	7	1,437			Yto		WatchTV, Inc.	93								
KORK-CD	Portland	35.0	15	1,437			Yto		WatchTV, Inc.	89								
● KKEI-CD	Portland	38.0	9	cp			TEL		WatchTV, Inc.	96								
● KOXO-CD	Vancouver	41.0	15	cp			Yto		WatchTV, Inc.	92								
● K15IL-D	John Day	15.0	1	-220			3AB		Edge Spectrum Inc	12	1703 p	g7						
K23CU-D	Prineville	^23	1	2,185			3AB	InHse	Christ Loves You Bcs	91								
K23DB-D	La Grande	23.0	1	2,467			My		Meredith Corp	92								
KPWC-LD	Tillamook	24.0	15	1,388	1		AZT		Lewetog, Kenneth E	05			250	0.2%	0.2%	0.2%	0.2%	0.1%
KSLM-LD	Dallas	27.0	15	902			RTV		Mattson, Michael	08								
KVDO-LD	Albany	38.0	3	994			IND		Lewetog, Kenneth E	09			250	0.2%	0.2%	0.2%	0.2%	0.1%
KUNP-LD	Portland	47.0	15	1,460	2		UNI	UNI	Sinclair Bcst Group	01	1308		500	0.3%	0.4%	0.3%	0.3%	200
KWVT-LD	Salem	49.0	14	1,729			Yto		Mattson, Michael	07								
KHPN-LD	Warrenton	^51	3	-75			IBN		Weiss, Randall & Adr	09	0708	g						
*KOPB-TV	Portland	10.0	46	1,719			PBS		Oregon Public Bcstg	61	9309	nc						
●KTVR	La Grande	13.0	16	2,543			PBS		Oregon Public Bcstg	64	9309	nc						

* = N/A - commercial

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

Investing In Television® 2017 1st Edition

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TV Mkt Rank: 25



Portland, OR Market Overview

TV Mkt Rank: 25

COMMERCIAL STATIONS

	Mkt	# VHF	# UHF	# Network	# Ind	# Multicast	# PTV
Year	Rank	Stations	Stations	Affiliates	Stations	Signals	Stations
2015	24	2	22	7	17	30	2
2016	25	2	21	7	16	32	2

Online/Interactive Gross Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$13,000	\$14,200	\$15,420	\$16,670	\$17,920	\$19,180	8.1%

OVER-THE-AIR
ESTIMATED
GROSS
REVENUES

★ ★

Market Television Financials

(all figures in 000's, except percentages and ratios)

2011	2012	2013	2014	2015	2016	Δ 11 - 16
\$142,100	\$151,400	\$135,000	\$149,700	\$129,700	\$147,100	0.7%
Δ 15 - 16	2017	2018	2019	2020	2021	Δ 16 - 21
13.4%	\$135,300	\$139,300	\$142,800	\$159,900	\$161,500	1.9%

Retransmission Consent Market Revenue

2016	2017	2018	2019	2020	2021	Δ 16 - 21
\$72,600	\$77,300	\$82,200	\$87,500	\$93,100	\$99,000	6.4%

Portland, OR Competitive Overview

Calls	City Of License	Ch	Visual Power (kW)	HAAT	L M A	Aff	Rep	Owner	Year Std	Date Acq'd	Sales Price (000)	Est '16 Revenue (000) 1/	'16 Adv Rev. Share	'15 Adv Rev. Share	'14 Adv Rev. Share	'13 Adv Rev. Share	'12 Adv Rev. Share	Est '16 Retran Rev.(000)
KGW	Portland	8.0	45	1,719			NBC HRP	TEGNA	56	1512	na	37,300	25.4%	26.8%	26.7%	26.9%	26.9%	18,200
KPTV	Portland	12.0	25	1,736			FOX TelRp	Meredith Corp	55	0203	sw	25,000	17.0%	18.9%	18.4%	18.4%	18.5%	14,700
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KNMT	Portland	45.0	1,000 cp	1,493			TBN	Trinity Bcstg Ntwk	89	0809		150	0.1%	0.1%	0.1%			
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KORS-CD	Portland	16.0	15	1,437			IND	WatchTV, Inc.	94									
KOXI-CD	Portland	20.0	7	1,437			Yto	WatchTV, Inc.	93									
KORK-CD	Portland	35.0	15	1,437			Yto	WatchTV, Inc.	89									
● KKEI-CD	Portland	38.0	9 cp	1,437			TEL	WatchTV, Inc.	96									
● KOXO-CD	Vancouver	41.0	15 cp	1,434			Yto	WatchTV, Inc.	92									
K15IL-D	John Day	15.0	1	-220			3AB	Edge Spectrum Inc	12	1708	g7							
K23CU-D	Prineville	^23	1	2,185			3AB InHse	Christ Loves You Bcs	91									
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KSLM-LD	Dallas	27.0	15	902			RTV	Mattson, Michael	08									
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KWVT-LD	Salem	49.0	14	1,729			Yto	Mattson, Michael	07									
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*KOPB-TV	Portland	10.0	46	1,719			PBS	Oregon Public Bcstg	61	9309	nc							
*KTVR	La Grande	13.0	16	2,543			PBS	Oregon Public Bcstg	64	9309	nc							

● Indicates a change since last edition ^ Indicates Analog Channel

1/ See introduction section for interpretation of revenue estimates.

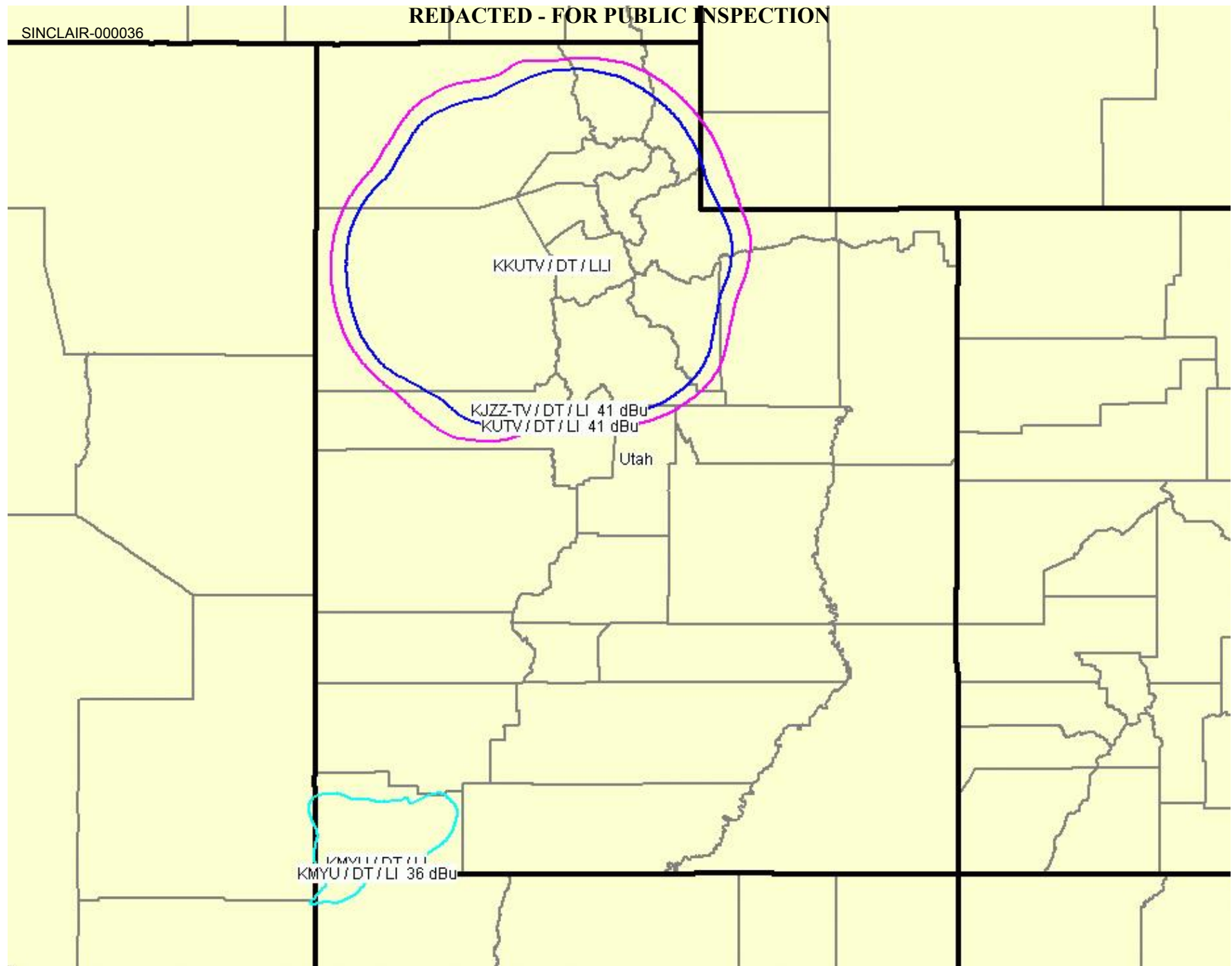
EXHIBIT 4

(RESPONSE TO REQUEST 3)

Contour Maps of KUTV, KJZZ, KMYU, and KSTU

SINCLAIR-000036

REDACTED - FOR PUBLIC INSPECTION



BIAMapX:

Latitude: N39-19-27.83

Longitude: W111-41-0.96

BIAMapX Copyright 1995-2007 BIA Financial Network, Inc.

Station / Service / Status

- KJZZ-TV / DT / LI
- KMYU / DT / LI
- KUTV / DT / LI

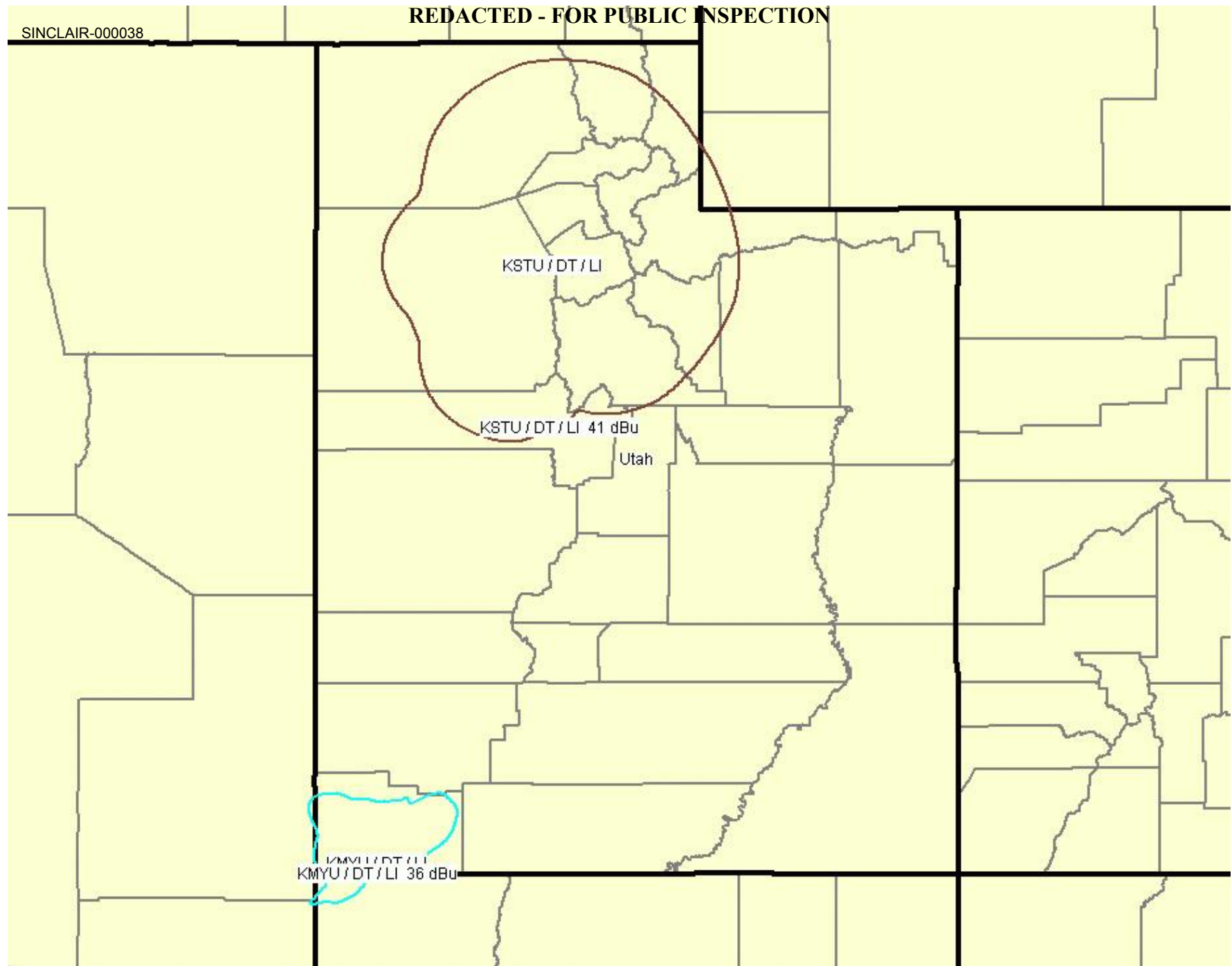
REDACTED - FOR PUBLIC INSPECTION

Market

Salt Lake City, UT - TV

SINCLAIR-000038

REDACTED - FOR PUBLIC INSPECTION





BIAMapX:

Latitude: N39-19-27.83

Longitude: W111-41-0.96

BIAMapX Copyright 1995-2007 BIA Financial Network, Inc.

Station / Service / Status

 KMYU / DT / LI
 KSTU / DT / LI

REDACTED - FOR PUBLIC INSPECTION

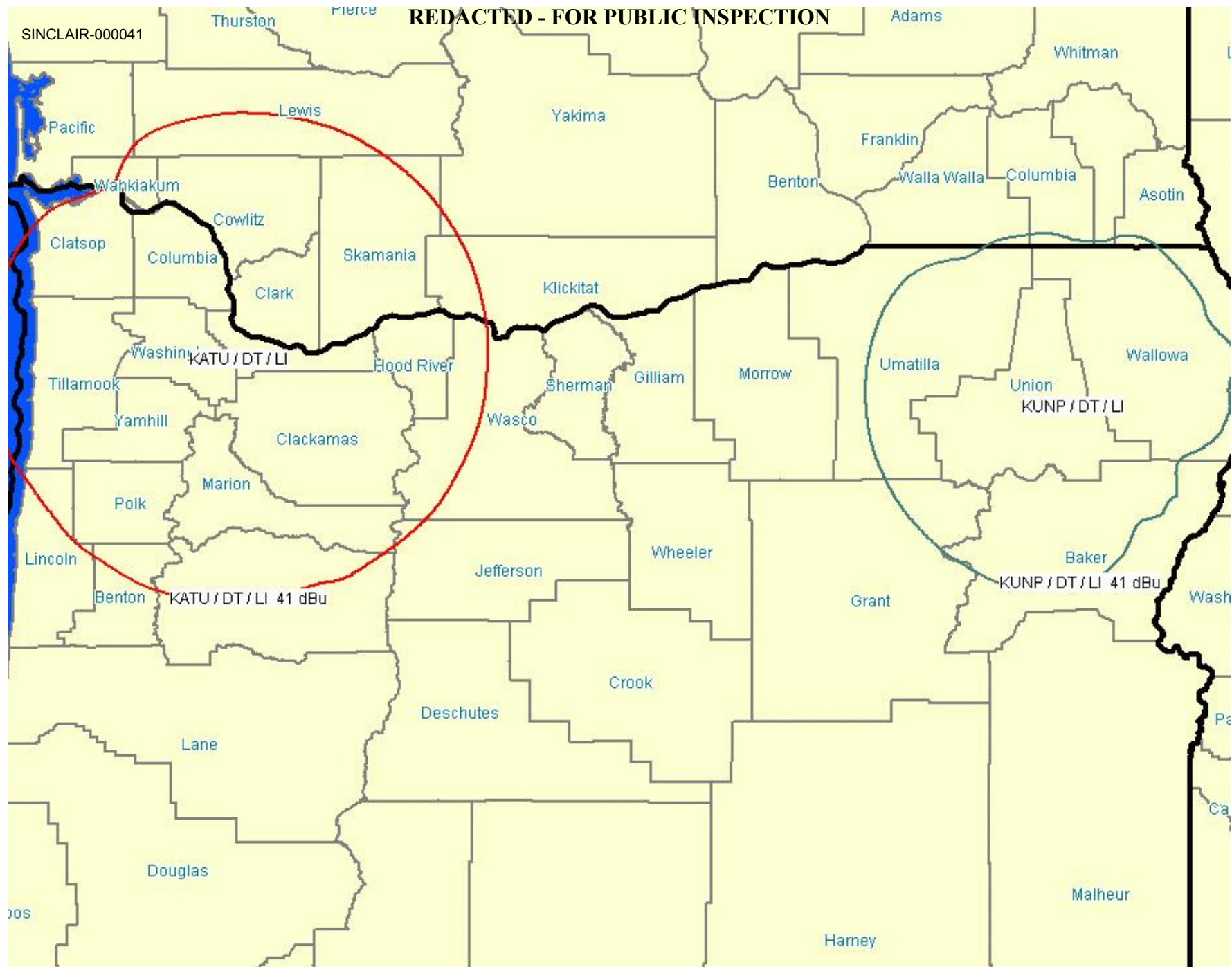
Market

Salt Lake City, UT - TV



EXHIBIT 5

(RESPONSE TO REQUEST 3)

Contour Maps of KATU, KUNP, and KRCW



Station / Service / Status

 KATU / DT / LI
 KUNP / DT / LI

REDACTED - FOR PUBLIC INSPECTION

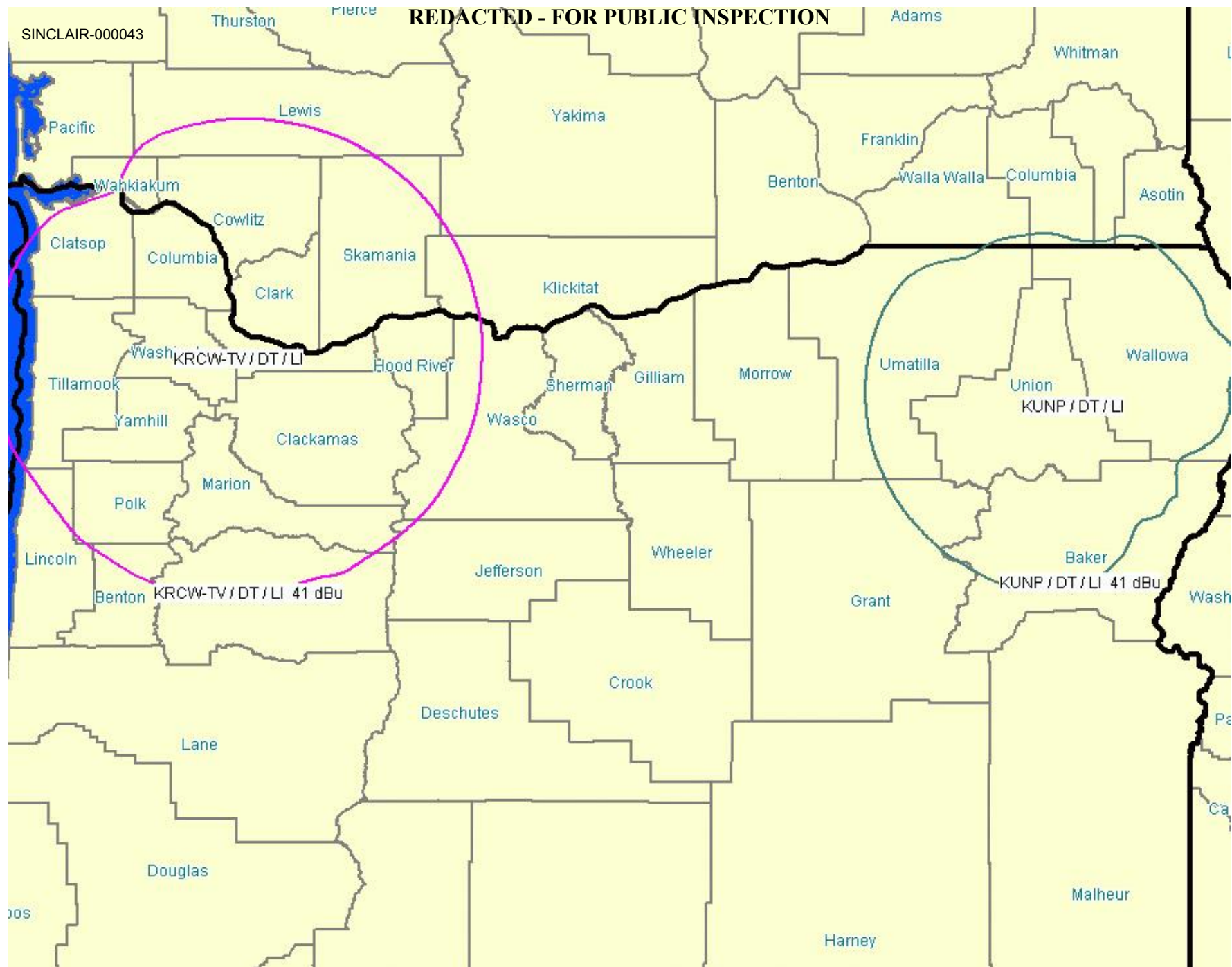
Market

Portland, OR - TV

BIAMapX:

Latitude: N44-57-32.07
Longitude: W120-26-59.60

BIAMapX Copyright 1995-2007 BIA Financial Network, Inc.



Station / Service / Status

- KRCW-TV / DT / LI
- KUNP / DT / LI

REDACTED - FOR PUBLIC INSPECTION

Market

Portland, OR - TV

BIAMapX:

Latitude: N44-57-32.07
Longitude: W120-26-59.60

BIAMapX Copyright 1995-2007 BIA Financial Network, Inc.

EXHIBIT 6

(RESPONSE TO REQUEST 10)

List and Copies of Sharing Agreements and Options

EXHIBIT 6**(Response to FCC Request No. 10)**

The following is a complete list of all Sharing Agreements or Options to which either Sinclair or Tribune is a party in the DMAs in which the Tribune Stations are located. Copies of each agreement are attached hereto.

1. Seattle-Tacoma, Washington:

- a. Option Agreement, dated as of June 25, 2012, by and among Sinclair Television Group, Inc. (as successor-in-interest to Fisher Broadcasting–Seattle Radio LLC) and South Sound Broadcasting L.L.C. (KOMO-FM) (“KOMO-FM Option”)
 - i. Expiration date: N/A. The Option was exercised on January 17, 2017, and an application for assignment of KOMO-FM remains pending at this time. *See* FCC File No. BALH-20170622ABR.
 - ii. Term and renewal terms: N/A
- b. Amended and Restated Local Marketing Agreement (“LMA”), dated as of June 25, 2012, by and among Sinclair Television Group, Inc. (as successor-in-interest to Fisher Broadcasting–Seattle Radio LLC) and South Sound Broadcasting, L.L.C. (KOMO-FM)
 - i. Expiration date: The LMA expires upon consummation of the acquisition of KOMO-FM pursuant to the KOMO-FM Option.
 - ii. Term and renewal terms: N/A. *See* above

2. Wilkes Barre-Scranton, Pennsylvania:

- a. Master Services Agreement, made as of October 31, 2014 and effective as of November 1, 2014, by and between Sinclair Television Group, Inc. (“Programmer”), New Age Media of Pennsylvania, LLC, and New Age Media of Pennsylvania Licensee, LLC (“Operating Company”) (WOLF-TV/WQMY(TV))
 - i. Expiration date: November 1, 2022
 - ii. Term and renewal terms: Initial 8-year term subject to extension for 5 additional 8-year terms unless Programmer gives Operating Company notice 9 months prior to the end of the applicable term.
- b. Option Agreement, made as of October 31, 2014 and effective as of November 1, 2014, by Sinclair Television Group, Inc. (“Optionee”) and New Age Media of Pennsylvania, LLC and New Age Media of Pennsylvania License, LLC (“Optionor”) (WOLF/WQMY)
 - i. Expiration date: November 1, 2022

- ii. Term and renewal terms: Initial 8-year term automatically renewable for up to 5 additional 8-year terms ,subject to non-renewal upon prior written notice of Optionee to Optionor at least 180 days prior to the end of any term
- c. Joint Sales and Shared Services Agreement, dated as of March 31, 2007, by and between MPS Media of Scranton, LLC and Sinclair Television Group, Inc. (as successor-in-interest to New Age Media of Pennsylvania, LLC), as amended (WSWB(TV))
 - i. Expiration date: March 31, 2023
 - ii. Term and renewal terms: Initial 8-year term automatically renewable for 5 additional 8-year terms subject to non-renewal upon six months' prior written notice by Sales Agent.
- d. Purchase Option Agreement, made as of the second day of April 2007, by and among Eugene Brown, MPS Media of Scranton, LLC and Sinclair Television Group, Inc. (as successor-in interest to New Age Media of Pennsylvania, LLC) (WSWB(TV))
 - i. Expiration date: April 2, 2022
 - ii. Term and renewal terms: Initial 15-year term unless exercised within 180 days prior to end of the Term, in which case Term shall extend until 180 days after the 15th anniversary. No renewal term.
- e. Shared Services Agreement (“Scranton SSA”), dated as of December 27, 2013, by and between Local TV Pennsylvania License, LLC, and Tribune Broadcasting Company II, LLC (WNEP-TV)
 - i. Expiration date: December 26, 2021
 - ii. Term and renewal terms: Initial 8-year term automatically renewable for successive 1-year terms subject to non-renewal upon 180 days' prior written notice by either party
- f. Option Agreement, dated as of December 27, 2013, by and between Tribune Broadcasting Company II, LLC, and Dreamcatcher Broadcasting LLC (WNEP-TV)¹
 - i. Option period: 8 years following effective date, automatically extending if either the Scranton SSA or Norfolk the SSA is renewed and, thereafter, until both SSAs have been terminated in accordance with their terms.

¹ This Option Agreement also involves stations in the **Norfolk-Portsmouth-Newport News, Virginia** DMA (WTKR(TV) and WGNT(TV)). See 4.b, below.

3. Salt Lake City, Utah:

- a. Shared Services Agreement (“SSA”), dated as of November 21, 2013, by and between Sierra Communications LLC and Ruby Mountain Broadcasting LLC (“Licensees”) and Sinclair Television Group, Inc. (“Service Provider”) (KENV-DT)²
 - i. Expiration date: November 21, 2021
 - ii. Term and renewal terms: Initial 8-year term automatically renewable for successive 8-year terms subject to non-renewal by Service Provider upon 180 days’ prior written notice to the Licensees.
- b. Joint Sales Agreement (“JSA”), dated as of November 21, 2013, by and between Sierra Communications LLC and Ruby Mountain Broadcasting LLC (“Licensees”) and Sinclair Television Group, Inc. (“Sales Agent”) (KENV-DT)
 - i. Expiration date: November 21, 2021
 - ii. Term and renewal terms: Initial 8-year term automatically renewable for successive 8-year terms subject to non-renewal by Sales Agent upon 180 days’ prior written notice to the Licensees.

4. Norfolk-Portsmouth-Newport News, Virginia:

- a. Shared Services Agreement (“Norfolk SSA”), dated as of December 27, 2013, by and between Local TV Virginia License, LLC, and Tribune Broadcasting Company II, LLC (WTKR(TV)/WGNT(TV))
 - i. Expiration date: December 26, 2021
 - ii. Term and renewal terms: Initial 8-year term automatically renewable for successive 1-year terms subject to non-renewal upon 180 days’ prior written notice by either party.

² On September 22, 2017, the FCC granted an application for consent to assign the licenses of KENV-DT from Ruby Mountain Broadcasting LLC to Reno (KENV-TV) Licensee, Inc. As of the date hereof, that transaction has not been consummated. Upon consummation of the transaction, Ruby Mountain Broadcasting’s interest in the JSA and SSA will be assumed by Reno (KENV-TV), Inc., the SSA will be amended and restated, and an Option will be entered into between Chesapeake Media I, LLC (a subsidiary of Sinclair Television Group, Inc.) and Reno (KENV-TV) Licensee, Inc. A copy of the form of Option and amended and restated SSA was filed with the FCC in the application and are included with the agreements attached hereto.

- b. Option Agreement, dated as of December 27, 2013, by and between Tribune Broadcasting Company II, LLC, and Dreamcatcher Broadcasting LLC (WTKR(TV) and WGNT(TV))³
 - i. Option period: 8 years following effective date, automatically extending if either the Scranton SSA or Norfolk the SSA is renewed and, thereafter, until both SSAs have been terminated in accordance with their terms.

³ This Option Agreement also involves stations in the **Wilkes Barre-Scranton, Pennsylvania** DMA (WNEP-TV). *See* 2.f., above.

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "**Agreement**") is made and entered into as of June 25, 2012, by and among Fisher Broadcasting-Seattle Radio LLC, a Delaware limited liability company (together with its successors and permitted assigns, "**Option Holder**"), and South Sound Broadcasting L.L.C., a Washington limited liability company (together with its successors and permitted assigns, the "**Grantor**").

WITNESSETH:

WHEREAS, Grantor is the owner and licensee of radio station KOMO-FM, Oakville, Washington, which operates on frequency 97.7 (the "**Station**");

WHEREAS, Grantor and Option Holder are parties to that certain Amended and Restated Local Marketing Agreement, dated as of the date hereof (the "**LMA**"), pursuant to which Option Holder has agreed to provide programming for the Station;

WHEREAS, Grantor desires to grant Option Holder an option to purchase, at Option Holder's election, certain tangible and intangible assets used and useful in connection with the operation of the Station, including, the FCC Licenses (as defined below), on the terms and conditions set forth herein;

WHEREAS, Option Holder desires to acquire from Grantor an option to purchase, at Option Holder's election, certain tangible and intangible assets on the terms and conditions set forth herein; and

WHEREAS, Grantor and Option Holder are parties to that certain Option Agreement, dated May 8, 2009 (the "**2009 Option**"), which 2009 Option is terminated pursuant to this Agreement and superseded in all respects by this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties, intending to be legally bound, agree as follows:

1. Option Grant. Grantor hereby gives, grants, transfers and conveys to Option Holder, and its successors and assigns, the sole and exclusive right, privilege and option to purchase (the "**Option**"), on the terms and conditions hereinafter set forth and effective for the Option Period, those tangible and intangible assets used and useful in the operation of the Station set forth below (together with the property described in clauses (a)-(e) below, the "**Optioned Assets**"), but specifically excluding the Excluded Assets (as such term is defined below):

(a) The licenses, construction permits and other authorizations issued by the Federal Communications Commission (the "**FCC**") for the operation of the Station listed on Schedule 1(a), including any renewals, extensions or modifications thereof and additions thereto as of the date hereof and as may be issued between the date hereof and the Option Closing (as hereinafter defined) (collectively, the "**FCC Licenses**");

(b) The licenses, permits, construction permits, approvals, concessions, franchises, certificates, consents, qualifications, registrations, privileges and other authorizations

and other rights, from any governmental authority to Grantor used in connection with the Station listed on Schedule 1(b), including any renewals, extensions or modifications thereof and additions thereto as of the date hereof and as may be issued between the date hereof and the Option Closing, each as and to the extent transferable (collectively, the "**Permits**");

(c) Those items of tangible personal property listed on Schedule 1(c) (as such schedule may be updated pursuant to Section 11(b));

(d) Those items of intangible personal property listed on Schedule 1(d), together with the goodwill of the business associated therewith and evidenced thereby; and

(e) The contracts, real property leases, and other agreements listed on Schedule 1(e) (as such schedule may be updated pursuant to Section 11(b)) relating to the ownership and operation of the Station.

Notwithstanding the foregoing, the Optioned Assets shall not include the following (collectively, the "**Excluded Assets**"): (1) All of Grantor's cash on hand or in bank accounts and any other cash equivalents; (2) all receivables of the Station (the "**Accounts Receivable**"), except for those Accounts Receivable to which Option Holder is entitled pursuant to the terms of the LMA; and (3) the assets listed on Schedule 1 -- Excluded Assets.

2. Consideration for Option. The Option is granted for the Option Period (as the same may be extended pursuant to Section 4 hereof) in return for, among other consideration, the payment by Option Holder to Grantor of an amount equal to Six Hundred Fifteen Thousand Dollars (\$615,000.00) (the "**Option Fee**"), which shall be due and payable on the date hereof and shall be non-refundable. The Option Fee shall be credited against the Purchase Price for the Optioned Assets, should Option Holder exercise the Option.

3. Option Period. The Option shall be effective commencing on the date hereof and shall terminate on the earlier of (a) January 22, 2017, or (b) the date sixty (60) days following the effective date on which the LMA is terminated by Programmer (as defined in the LMA) in accordance with the terms of Section 5.1(a) of the LMA, or (c) the effective date of termination of the LMA for any reason other than by Programmer in accordance with Section 5.1(a) (the "**Option Period**"). The Option may be exercised by Option Holder pursuant to the terms and subject to the conditions of this Agreement at any time during the Option Period in accordance with Section 4 below.

4. Exercise of Option; Withdrawal.

(a) Option Holder may exercise the Option at any time during the Option Period by delivery of written notice thereof (the "**Exercise Notice**") to Grantor. Upon exercise of the Option, Option Holder and Grantor shall be obligated to consummate the purchase and sale of the Optioned Assets at the Option Closing, subject to the provisions of Sections 9, 10 and 26 hereof.

(b) Subject to Section 5(a)(ii) below, if Option Holder has not exercised the Option prior to September 22, 2016, Grantor shall calculate the Purchase Price as defined, and in accordance with the terms and conditions set forth, in Section 5(a) below and shall present the

same with reasonable substantiation to Option Holder (such calculation and substantiation thereof, collectively, the "**Purchase Price Calculation Notice**") on or before October 22, 2016. Prior to such date, in order to facilitate Option Holder's evaluation of a possible election to exercise the Option, Grantor shall provide with reasonable promptness and commercially reasonable efforts such Purchase Price Calculation Notice to Option Holder upon request of Option Holder during the Option Period. Subject to the terms and conditions of Section 5(a)(ii) below, the Purchase Price shall be as set forth in such Purchase Price Calculation delivered by Grantor.

(c) Option Holder may withdraw any Exercise Notice at any time prior to the earlier of (i) the Option Closing or (ii) January 22, 2017, by written notice to Grantor of such withdrawal. No such withdrawal (and no withdrawal of any subsequent Exercise Notice) shall affect Option Holder's right to exercise the Option by delivering to Grantor, during the Option Period, one or more other Exercise Notices. In the event that Option Holder withdraws any Exercise Notice, Option Holder shall reimburse Grantor for any actual out-of-pocket costs and expenses, including reasonable attorneys' fees, incurred by Grantor in preparing and filing any FCC Applications in connection with such Exercise Notice, but exclusive of internal overhead costs, including any salary or other compensation or benefits paid to employees of Grantor.

5. **Purchase Price and Closing**

(a) **Purchase Price for Optioned Assets.** At the Option Closing, Option Holder shall pay to Grantor an aggregate amount equal to the sum of (i) the Base Price *plus* (ii) the Escalation Amount, each as defined and calculated in accordance with Schedule 5(a) hereto (such sum "**Purchase Price**") and subject to such adjustments as are contemplated hereby, including pursuant to Section 5(a)(iii) below.

(i) If the Purchase Price applicable to Option Holder's exercise has not been calculated by Grantor pursuant to a Purchase Price Calculation Notice, Grantor shall, promptly upon exercise of the Option, prepare and deliver to Option Holder a Purchase Price Calculation Notice, which shall be subject to the terms and conditions of Section 5(a)(ii).

(ii) In the event that Option Holder shall object to the calculation of the Base Price and such objections are not resolved upon good faith consultation by the parties, then upon written notice from Option Holder to Grantor (an "**Objection Notice**"), the Base Price shall be calculated in accordance with the terms and conditions of this Agreement by an independent third party reasonably experienced in the sale or valuation of FM radio stations (a "**Qualified Party**"), selected by the agreement of Option Holder and Grantor, and in the event that Option Holder and Grantor are not able to agree upon a single Qualified Party, each shall select its own Qualified Party and the Base Value shall be the average of the Base Price determined by each such Qualified Party in accordance with the terms and conditions of this Agreement; except that if the differential between the two amounts exceeds ten percent (10%) (based on the lower amount), the two Qualified Parties shall choose a third Qualified Party who shall calculate the Base Value in accordance with the terms and conditions of this Agreement. Option Holder and Grantor shall share equally the costs and expenses of any mutually agreed upon Qualified Party; each individually shall bear the costs and expenses of the Qualified Party selected by it if two such Qualified Parties are used; and if a third Qualified Third Party is necessary, the costs and

expenses of any third Qualified Party shall be shared equally by the parties; *provided, however*, that solely with respect to the Purchase Price Calculation Notice delivered by Grantor pursuant to Section 4(b) above that is required to be delivered on or before October 22, 2016, Option Holder shall have the right to object to Grantor's calculation pursuant to this Section 5(a)(ii) only upon an Objection Notice delivered on or before the date that is the later of (A) November 22, 2016, or (B) thirty (30) days following the date on which such Purchase Price Calculation Notice was delivered to Option Holder.

(iii) An amount equal to the Purchase Price *less* an amount equal to the sum of (A) the Option Fee, (B) the Redemption Price (as defined below) and (C) any amounts to be applied as a credit pursuant to Section 4.2(c) of the LMA, shall be paid by Option Holder by federal wire transfer of same-day funds pursuant to wire instructions delivered to Option Holder by Grantor at least two business days prior to the Closing Date (or such other method of funds transfer as may be agreed upon by Option Holder and Grantor); *provided* that Two Hundred Thousand Dollars (\$200,000.00) (the "**Escrow Amount**") shall be deposited in an escrow account pursuant to Section 5(d).

(b) *Treatment of Assets and Liabilities Upon Exercise of Option.*

(i) *Transfer of Assets.* At the Option Closing, Grantor shall sell, assign, transfer, convey and deliver to Option Holder all right, title and interest of Grantor in and to the Optioned Assets free and clear of liens, claims and encumbrances ("**Liens**"), except for (1) Assumed Obligations (as defined below), (2) Liens for taxes not yet due and payable and (3) any other Liens expressly identified and agreed to by the parties in writing (collectively, "**Permitted Liens**").

(ii) *Assumption of Obligations.* From and after the Option Closing, Option Holder shall assume and undertake to pay, discharge and perform all liabilities, obligations and commitments of Grantor, as the holder of the Permits and the FCC Licenses, including all obligations to make all required FCC filings with respect thereto, and as the owner of the Optioned Assets (including all leases, agreements and contracts included in such Optioned Assets) to the extent such liabilities, obligations and commitments arise out of events occurring on or after the Closing Date (the "**Assumed Obligations**").

(iii) *Excluded Obligations.* Option Holder does not assume or agree to discharge or perform, and will not be deemed by reason of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, to have assumed or to have agreed to discharge or perform, and Grantor shall remain liable for, any liabilities, obligations or commitments of Grantor arising from the business or operation of the Station prior to the Closing Date and any other liabilities, obligations or commitments other than the Assumed Obligations (any and all such liabilities, obligations and commitments, the "**Excluded Obligations**").

(iv) *Allocation.* Option Holder and Grantor shall establish prior to the Closing Date an allocation of the Purchase Price in accordance with the respective

values of the Optioned Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended. The parties agree to allocate to any depreciable property an amount equal to its tax basis for federal income tax purposes as of Closing Date. Option Holder and Grantor agree to file their federal income tax returns and their other tax returns reflecting such allocation and to use such allocation for accounting and financial reporting purposes.

(c) *Closing.* Upon any exercise of Option, the consummation of the purchase and sale and purchase of the Optioned Assets (an "**Option Closing**") shall take place at the offices of Stokes Lawrence, P.S., 800 Fifth Avenue, Suite 4000, Seattle, Washington, at 10:00 a.m. local time, no later than ten (10) business days after the satisfaction or, to the extent permissible by law, the waiver (by the party for whose benefit the closing condition is imposed) of, the conditions specified in Sections 9 and 10 hereof. Alternatively, such Option Closing may take place at such other place, time or date as the parties may mutually agree upon in writing (including by electronic exchange). The date on which the Option Closing occurs is referred to herein as the "**Closing Date**".

(d) *Indemnity Escrow.* The Escrow Amount shall be deposited by Option Holder into an escrow account maintained by Wells Fargo Bank, N.A. (or such other banking institution that the parties may agree upon) (the "**Escrow Agent**") on the Closing Date and shall be retained by the Escrow Agent in accordance with the terms of an escrow agreement entered into by Option Holder and Grantor, upon terms and conditions customary for agreements of like kind and reasonably acceptable to the parties thereto (the "**Escrow Agreement**") until the earlier to occur of (x) the date that is fifteen (15) months after the Closing Date (except as expressly set forth herein), and (y) the date on which the balance of the Escrow Account is reduced to \$0.00 because of disbursements therefrom in accordance with this Section 5(d) and the Escrow Agreement (the "**Escrow Termination Date**"). After the Option Closing, subject to the provisions of this Section 5(d) and Section 12, Option Holder shall be entitled to seek disbursements of all or portions of the Escrow Amount from the Escrow Account in order to satisfy any amounts due to Option Holder under claims for Damages pursuant to Section 12. On the Escrow Termination Date, Option Holder and Grantor shall execute and deliver joint written instructions to the Escrow Agent instructing the Escrow Agent to disburse to Grantor any escrowed funds remaining in the Escrow Account, except to the extent of the amount of any claims for indemnifiable Damages made by any Indemnified Party under Section 12 prior to the Escrow Termination Date that have yet to be paid, are in dispute, or as to which Third Party Claims are pending, which amounts (to the extent of the remaining portion of the Escrow Amount) shall continue to be held by the Escrow Agent after the Escrow Termination Date until such time as such disputed claims or Third Party Claims are resolved, at which time the Escrow Amount remaining in the Escrow Account shall be disbursed to Option Holder or Grantor in accordance with the resolution of such disputed claims.

6. ***Representations and Warranties of Grantor.*** Grantor represents and warrants to Option Holder, as of the date hereof and as of the Closing Date, as follows; *provided, however*, that Grantor makes no representation or warranty as to any action, event, occurrence or circumstance that was or shall be caused by Option Holder or that arose, or shall arise from any omission by Option Holder to perform its obligations under the LMA:

(a) Grantor is a limited liability company duly organized under the laws of the State of Washington and has the power, authority and full legal capacity to enter into and to perform its obligations under this Agreement. The execution, delivery and performance of this Agreement by Grantor has been duly authorized and this Agreement constitutes a valid and binding obligation of Grantor enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) Grantor has good and marketable title to the Optioned Assets free and clear of all Liens other than Permitted Liens and Liens that will be discharged at or prior to the Option Closing.

(c) Grantor is the holder of the FCC Licenses and such FCC Licenses are valid and in full force and effect. Grantor is, and at all times from and after the date of this Agreement to and including the Closing Date will be, legally, financially and otherwise qualified under the Communications Act of 1934, as amended (the "***Communications Act***"), to perform its obligations hereunder, to be the licensee of, and to own and operate the Station. To Grantor's knowledge, no fact or circumstance exists relating to the FCC qualifications of Grantor that (i) could reasonably be expected to prevent or delay the FCC from granting the FCC Applications (as defined below) or (ii) would otherwise disqualify Grantor as the licensee, owner, operator or transferor of the Station.

(d) Grantor has filed all material returns, reports, and statements that Grantor is required to file with the FCC and the Federal Aviation Administration. There is no action, suit or proceeding pending or, to Grantor's knowledge, threatened in writing against Grantor in respect of the Station seeking to enjoin the transactions contemplated by this Agreement; and (ii) to Grantor's knowledge, there are no governmental claims or investigations pending or threatened against Grantor in respect of the Station (except those affecting the broadcasting industry generally).

(e) No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Grantor or any other party acting on Grantor's behalf.

7. ***Representations and Warranties of Option Holder.*** Option Holder represents and warrants to Grantor, as of the date hereof and as of the Closing Date, as follows:

(a) Option Holder is a limited liability company duly organized under the laws of the State of Delaware and qualified to do business in the State of Washington and has the

power, authority and full legal capacity to enter into and to perform its obligations under this Agreement. The execution, delivery and performance of this Agreement by Option Holder has been duly authorized and this Agreement constitutes a valid and binding obligation of Option Holder enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(b) Subject to obtaining the FCC Consent (as defined below), Option Holder is, and as of the Closing Date will be, legally, financially and otherwise qualified under the Communications Act to perform its obligations hereunder and to be the licensee of, and own and operate, the Station. To Option Holder's knowledge, no fact or circumstance exists relating to the FCC qualifications of Option Holder that (a) could reasonably be expected to prevent the FCC from granting the Assignment Application or (b) would otherwise disqualify Option Holder as the licensee, owner or operator of the Station. To Option Holder's knowledge, no waiver of any FCC Rule (as defined below) is required for the grant of the FCC Consent.

(c) No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Option Holder or any other party acting on Option Holder's behalf.

8. Covenants of Grantor. Subject to the LMA and the performance by Option Holder of its obligations thereunder, during the Option Period, Grantor covenants to:

(a) Maintain insurance on the Optioned Assets and with respect to the operation of the Station in such amounts and in such nature as in effect on the date hereof;

(b) Operate the Station in all material respects in accordance with the terms of the FCC Licenses, the Communications Act, the rules, regulations and published policies of the FCC ("**FCC Rules**"), and all other statutes, ordinances, rules and regulations of governmental authorities;

(c) Refrain from taking any action that would cause the FCC Licenses not to be in full force and effect or to be revoked, suspended, cancelled, rescinded, terminated or expired;

(d) File all material returns, reports, and statements that Grantor is required to file with the FCC and the Federal Aviation Administration;

(e) Not mortgage, pledge, subject to any Lien or otherwise encumber (or cause any of the foregoing to occur) any of the Optioned Assets, except with the consent of Option Holder; and

(f) Not sell, lease or otherwise dispose of any of the Optioned Assets in a manner that is inconsistent with this Agreement, except for properties and assets sold or replaced with others of like kind and value in the ordinary course of business.

Notwithstanding anything to the contrary contained herein, to the extent that the obligations of Grantor hereunder would require the incurrence of an Operating Expense as defined in the LMA, such obligation or covenant shall be subject to the terms and conditions of the LMA.

9. Grantor Closing Conditions.

Upon the exercise of an Option in accordance with the terms hereof, the obligations of Grantor to consummate the purchase and sale of the Optioned Assets are subject to satisfaction or waiver, at or prior to the Option Closing, of each of the following conditions:

(a) *Representations, Warranties and Covenants.* The representations and warranties of Option Holder set forth in Section 7 shall be true and correct in all material respects as of the Closing Date except for changes permitted or contemplated by the terms of this Agreement and Grantor shall have received a certificate dated as of the Closing Date from Option Holder, executed by an authorized officer or other authorized representative of Option Holder, to the effect that the conditions set forth in this Section 9(a) have been satisfied.

(b) *FCC Consent.* The FCC Consent shall have been obtained and be in effect and no court or governmental order prohibiting the Option Closing shall be in effect.

(c) *No Prohibitions.* No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

10. Option Holder Closing Conditions.

Upon the exercise of the Option in accordance with the terms of this Agreement, the obligations of Option Holder to consummate the purchase and sale of the Optioned Assets are subject to satisfaction or waiver, at or prior to the Option Closing, of each of the following conditions:

(a) *Representations, Warranties and Covenants.* The representations and warranties of Grantor set forth in Section 6 shall be true and correct in all material respects at and as of the Closing Date, and the covenants and agreements to be complied with and performed by Grantor at or prior to the Option Closing shall have been complied with or performed in all material respects. Option Holder shall have received a certificate dated as of the Closing Date from Grantor, executed by manager of Grantor, to the effect that the conditions set forth in this Section 10(a) have been satisfied.

(b) *FCC Consent.* The FCC Consent shall have been obtained and constitute a Final Order. For purposes hereof, "**Final Order**" shall mean an action by the FCC or other regulatory authority having jurisdiction with respect to which (i) no timely request for stay, motion or petition for reconsideration or rehearing, application or request for review or notice of appeal or other judicial petition for review is pending and (ii) the time for filing any such request, motion, petition, application, appeal or notice and for entry of orders staying, reconsidering or reviewing on the FCC's or such other regulatory authority's own motion has expired.

(c) *No Prohibitions.* No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

11. Closing Deliveries.

(a) *Grantor Documents.* At the Option Closing Grantor shall deliver or cause to be delivered to Option Holder:

(A) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement by Grantor, including the consummation of the transactions contemplated hereby;

(B) the certificates described in Section 10(a) hereof;

(C) the Escrow Agreement;

(D) the Assignment and Assumption Agreement substantially in the form attached hereto as *Exhibit B*;

(E) the Assignment and Assumption Agreement (FCC Licenses) substantially in the form attached hereto as *Exhibit C*; and

(F) such other bills of sale, assignments and other instruments of conveyance, assignment and transfer as may be necessary to convey, transfer and assign to Option Holder the Optioned Assets, free and clear of Liens, except for Permitted Liens.

(i) *Option Holder Documents.* At the Option Closing Option Holder shall deliver or cause to be delivered to Grantor:

(A) the certificate described in Section 9(a) hereof;

(B) the Purchase Price;

(C) the Escrow Agreement;

(D) the Assignment and Assumption Agreement substantially in the form attached hereto as *Exhibit B*;

(E) the Assignment and Assumption Agreement (FCC Licenses) substantially in the form attached hereto as *Exhibit C*; and

(F) such other documents and instruments of assumption as may be necessary to assume the Assumed Obligations and acquire the Optioned Assets.

(b) *Updated Schedules.* Grantor shall provided an update to the disclosure schedules provided pursuant to this Agreement (a "*Disclosure Supplement*") to Option Holder

no later than 5 business days prior to the Option Closing to reflect events occurring after the date of this Agreement that result in any of the disclosure schedules or Grantor's representations and warranties contained herein to be incomplete or incorrect as of the Closing Date (each a "**New Matter**"), provided, however, that for the avoidance of doubt and in accordance with the preamble set forth in Section 6 hereof, the foregoing shall not apply to any action, occurrence, circumstance, or other event that was or shall be caused by Option Holder or that arose, or shall arise from any omission by Option Holder to perform its obligations under the LMA. A Disclosure Supplement shall be deemed to amend the applicable representations and warranties of Grantor; *provided*, that: (i) in no event shall any Disclosure Supplement be deemed to amend any representation or warranty or disclosure schedule for purposes of any determination as to whether the conditions specified in Section 10(a) shall have been satisfied; *provided, however*, that in the event that such conditions are waived by Option Holder, the existence or occurrence of a New Matter shall not form the basis for any indemnification hereunder of, or other claim hereunder by Option Holder.

12. Survival; Indemnification.

(a) *Survival.* The representations and warranties in this Agreement shall survive the Option Closing for a period of fifteen (15) months following the Closing Date, whereupon they shall expire and be of no further force or effect, except that those representations and warranties that relate to Damages (as defined below) under this Section 12 for which written notice is given by the Indemnified Party (as defined below) to the Indemnifying Party (as defined below) prior to such expiration, which shall survive until such claim for Damages is resolved.

(b) Indemnification.

(i) Subject to the limitations set forth in Section 12(d) below, from and after the Option Closing, Grantor shall defend, indemnify and hold harmless Option Holder from and against any and all losses, costs, damages, claims, suits, actions, judgments, liabilities and expenses, including reasonable attorneys' fees and expenses (collectively, "**Damages**"), incurred by Option Holder arising out of or resulting from (A) any material inaccuracy in, or breach or non-fulfillment of, any of the representations, warranties, covenants or agreements made by Grantor in this Agreement or default by Grantor under this Agreement, (B) the business or operations of the Station arising before the Closing Date; (C) the Excluded Obligations, and (D) any taxes owed by Grantor for any period prior to (and including) the Closing Date.

(ii) Subject to the limitations set forth in Section 12(d) below, from and after the Option Closing, Option Holder shall defend, indemnify and hold harmless Grantor from and against any and all Damages incurred by Grantor arising out of or resulting from (A) any material inaccuracy in, or breach or non-fulfillment of, any of the representations, warranties, covenants or agreements made by Option Holder in this Agreement or default by Option Holder under this Agreement; (B) the Assumed Obligations, (C) the business or operations of the Station from and after the Closing Date; and (D) any taxes owed by Option Holder for any period following the Closing Date.

(c) *Indemnification Procedures.* If any person entitled to indemnification under this Agreement (an "**Indemnified Party**") asserts a claim for indemnification for, or receives notice of the assertion or commencement of any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding or investigation, other than any brought by a party to this Agreement or an affiliate of a party to this Agreement (a "**Third Party Claim**") as to which such Indemnified Party intends to seek indemnification under this Agreement, such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an "**Indemnifying Party**"), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the "**Defense Notice**") within fifteen (15) days after receipt from the Indemnified Party of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party (which notice shall specify the counsel the Indemnifying Party will appoint to defend such claim ("**Defense Counsel**"); *provided, however*, that the Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed. The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party and shall be entitled to reimbursement from the Indemnifying Party for its out-of-pocket expenses, which expressly exclude salary or other compensation or benefits paid to employees of the Indemnified Party.

(i) If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at his or its own expense, in the defense of such Third Party Claim; *provided, however*, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if so requested by the Indemnifying Party to participate; and *provided, further*, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.

(ii) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will

be liable for all Losses paid or incurred in connection therewith and the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Agreement), in which case the consent of the Indemnified Party shall not be required.

(iii) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(iv) Any claim under this Section 12 by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a "**Direct Claim**") will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of 20 days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20 day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 12.

(v) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 12(c) shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(vi) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Damages (in which case such proceeds shall reduce such Damages). To the extent any Damages of an Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified

Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Damages and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Damages. The indemnification obligations hereunder shall survive any termination of this Agreement.

(d) THE INDEMNIFICATION OBLIGATIONS OF THE PARTIES UNDER THIS SECTION 12 SHALL NOT EXTEND TO, AND "DAMAGES" SHALL BE DEEMED TO NOT INCLUDE, INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES), EXCEPT TO THE EXTENT SUCH DAMAGES ARE DIRECT DAMAGES UNDER APPLICABLE LAW ARISING FROM A THIRD PARTY CLAIM SUBJECT TO INDEMNIFICATION HEREUNDER.

(e) Notwithstanding any other provision of this Agreement to the contrary, neither party shall have any obligation to indemnify the other party under this Section 12 unless and until the aggregate Damages to the party claiming indemnification exceeds Twenty-five Thousand Dollars (\$25,000) (the "**Damages Threshold**"), at which time all Damages, not just those Damages in excess of the Damages Threshold, shall be subject to indemnification under this Section 12.

13. Specific Performance. Grantor and Option Holder acknowledge and agree that, due to the unique nature of the subject matter of this Agreement, Option Holder would suffer irreparable damages in the event of breach of this Agreement, which damages could not adequately be compensated except by specific performance of this Agreement. Accordingly, without limiting any other remedy that may be available to Option Holder at law or equity, in the event of a breach by Grantor of this Agreement, it is agreed that Option Holder shall be entitled to temporary and permanent injunctive relief, including, but not limited to, specific performance hereof, without any showing of actual damage or inadequacy of legal remedy, in any proceeding before a court of law with proper jurisdiction to hear the matter, which may be brought to enforce this Agreement. Grantor hereby waives any defense that there is an adequate remedy at law for such breach of this Agreement.

14. Expenses. Each of Option Holder and Grantor shall pay any and all fees, costs and out-of-pocket expenses, incurred by such party in connection with the performance of its obligations hereunder and in connection with the preparation and negotiation of this Agreement and the documents and agreements contemplated hereby; *provided, however*, that Option Holder shall pay any and all filing fees incurred with respect to the filing of the FCC Application.

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

16. Amendment and Modification. This Agreement may be amended, modified or supplemented only by written agreement of the parties.

17. Waiver of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliances as set forth in this Section 17.

18. Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, (ii) sent by facsimile, delivered by personal delivery or sent by a nationally recognized commercial delivery service or certified mail, return receipt requested, (iii) deemed to have been given on the date sent by facsimile if sent on a day that is a business day in the state in which the addressee resides, or the next succeeding business day, with confirmation of successful transmission, the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt and addressed to the parties at the address set forth in *Exhibit D* or at such other address as a party may designate upon ten (10) days' prior written notice to the other party.

19. Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, *provided* that, except as expressly provided herein, neither this Agreement nor any of the rights or interests hereunder shall be assigned by Grantor either party without the prior written consent of the other party. Without the consent of Grantor, but with notice to it, Option Holder shall have the right to assign its rights under this Agreement. No assignment shall release any party of its obligations hereunder, including, without limitation, the obligation of Option Holder to pay the Purchase Price in the event that an assignee exercises the Option.

20. No Third Party Beneficiaries. Except as expressly provided herein, this Agreement is not intended to, and shall not, confer upon any other person except the parties hereto any rights or remedies hereunder.

21. Governing Law; Disputes. The construction and performance of this Agreement shall be governed by the laws of the State of Washington without giving effect to the choice of law provisions thereof, subject to the applicable provisions of the Communications Act and FCC Rules. In the event any dispute arising out of or related to this Agreement results in litigation, the parties agree that the same shall be heard in a state or federal court having subject matter jurisdiction seated in King County, Washington, and the parties submit to the personal jurisdiction of such court and agree that venue shall properly lie there.

22. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be

affected thereby and shall be enforced to the greatest extent permitted by law so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid or enforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in any acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

23. *Publicity.* Neither Grantor nor Option Holder shall make or issue or cause to be made or issued, any announcement (written or oral) concerning this Agreement or the transactions contemplated hereby for dissemination to the general public without the prior consent of the other party. This provision shall not apply, however, to any announcement or written statement required to be made by law or the regulations of any federal or state governmental agency or any stock exchange, except that the party required to make such announcement shall provide a draft copy thereof to the other party hereto, and consult with such other party concerning the timing and content of such announcement, before such announcement is made to the extent consistent with and permitted by applicable law.

24. *FCC Approval.*

(a) Notwithstanding any provision to the contrary herein, Option Holder's rights under this Agreement are subject to the Communications Act and the FCC Rules.

(b) As soon as reasonably practicable, but in no event later than five (5) business days after Option Holder's delivery of an Exercise Notice, the parties shall file an application (the "***Assignment Application***") with the FCC requesting the FCC's written consent to the assignment of the FCC Licenses from Grantor to Option Holder. In addition, in connection with any Assignment Application, each party hereto covenants and agrees to (i) prepare, file and prosecute any alternative application, petition, motion, request or other filing (including, upon the request of Option Holder, any motion for leave to withdraw or dismiss any Assignment Application or other filing made by the parties in connection with the transactions contemplated by this Agreement) (collectively, the "***Additional Applications***" and, together with the Assignment Application, the "***FCC Applications***"); (ii) file any amendment or modification to the FCC Applications; (iii) provide to Option Holder any information, documents or other materials reasonably requested by Option Holder in connection with the preparation of any such FCC Applications; (iv) prosecute the FCC Applications with commercially reasonable diligence and otherwise use their commercially reasonable efforts to obtain a favorable conclusion with regard to the FCC Applications; (v) otherwise take any other action with respect to the FCC as may be reasonably necessary or reasonably requested by Option Holder in connection with the transactions contemplated hereby; and (vi) cooperate in good faith with the other party with respect to the foregoing covenants, all as may be determined by Option Holder to be reasonably necessary or appropriate or advisable in order to consummate the transactions contemplated hereby. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Applications, shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider the FCC Applications. The FCC's written consent to the assignment of the FCC Licenses contemplated hereby is referred to herein as the "***FCC Consent***." The parties each agree to comply with any

condition imposed on them by any FCC Consent, except that no party shall be required to comply with a condition if such condition requires such party to divest any of its direct or indirect assets. The parties shall oppose any petitions to deny or other objections filed with respect to the application for any FCC Consent and any requests for reconsideration or review of any FCC Consent.

25. Termination of 2009 Option. The 2009 Option shall be, and it is hereby, terminated effective as of the date hereof. For the avoidance of doubt, the parties acknowledge and agree that all payment obligations thereunder of any kind that shall have accrued or that may otherwise be due and payable, are terminated and shall be deemed discharged in full, including with respect to the Reverse Break Up Fee contemplated by such 2009 Option.

26. Redemption of Option Holder Equity Interests in Grantor upon Exercise. As of the date hereof, the parties acknowledge and reference that Option Holder has acquired equity securities representing seven and one-half percent (7.5%) of the limited liability company membership interests of Grantor (the "**Subject Interests**"). Upon exercise of the Option and effective upon the Option Closing, Grantor shall redeem the Subject Interests for a purchase price payable to Option Holder in an amount equal to the product of (a) seventy five one thousandths (0.075) *multiplied by* (b) an amount equal to the Base Price as applicable to the Option Closing (such product, the "**Redemption Price**"). The redemption shall be effected at the Option Closing pursuant to such reasonable documentation as is customary for a transaction of like kind and, as contemplated by Section 5 hereof, the Redemption Price shall be due and payable as credit against the Purchase Price otherwise due and payable at the Option Closing.

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

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

such instrument; *provided, however*, that any party hereto may request and be entitled to receive the manually executed original counterpart.

29. Entire Agreement. This Agreement, together with the schedules and exhibits expressly contemplated hereby and attached hereto and the other agreements, certificates and documents delivered in connection herewith or otherwise in connection with the transactions contemplated hereby and thereby, including the LMA, contains the entire agreement between the parties hereto with respect to the transactions contemplated by this Agreement and supersedes all prior agreements or understandings, whether written or oral, between the parties with respect to the subject matter hereof.

[SIGNATURE PAGE FOLLOWS]

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

GRANTOR:

SOUTH SOUND BROADCASTING L.L.C.

By: 

Name: Gregory A. Smith

Title: manager

OPTION HOLDER:

FISHER BROADCASTING-SEATTLE RADIO LLC

By: _____

Name:

Title:

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

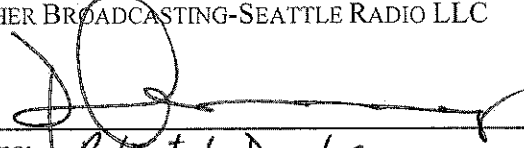
GRANTOR:

SOUTH SOUND BROADCASTING L.L.C.

By: _____
Name:
Title:

OPTION HOLDER:

FISHER BROADCASTING-SEATTLE RADIO LLC

By: 
Name: Robert I. Dunlop
Title: Executive Vice President

Schedule 1(a)**Licenses****KOMO-FM, Oakville, WA (Fac. ID 51167)**

Purpose	File No.	Power	Location	Status
Main	BLH-20080514AGI	63 kW	Oakville, WA	Licensed
Auxiliary	BXLH-20090728ACZ	16.5 kW	Oakville, WA	Licensed
Auxiliary	BXLH-20020123AAJ	0.5 kW	Raymond, WA	Licensed

Grantor has an application before the FCC to change the city of license from Oakville, WA to Belfair, WA. Option Holder is aware of this application and has approved of this application. There is no change in technical parameters with this application.

Translator

K249DX Redmond, WA Facility ID 149955

Booster

KOMO-FM1 Tukwila, WA Facility ID 190282

STL Links

WPYK599	950.500	Capitol Peak to South Mountain
WPYK598	950.750	Olympia Studio to Tumwater
WPYK602	944.250	Tumwater to South Mountain

Schedule 1(c)**Tangible Personal Property****South Mountain****Transmitter Building**

Continental 27.5kw Transmitter	Fanfare AM/FM Receiver
Harris Digit Exciter	Dehydrator
Armstrong 10k Tube transmitter	Harris Digit Exciter
Continental Exciter	Orban 8500
Burke Remote Control	Dummy Load
Two 3" coax switches	Bird section meter
Moseley SL 90003G	Moseley Lan Link HS
Analog STL receiver	Operations PC
Harris Digital STL receiver	Storage cabinet

Tower

400' ERI 48" face guyed tower	ERI 6 bay ½ wave Main antenna
Shively 6 bay full wave aux antenna	Shively 4 bay ½ -wave spare antenna
6' grid STL Dish	Two 8' grid STL dishes
PR-950 paralector STL dish	

Generator building

100kw Cummins Generator	Two 1,000 gal propane tanks
Electrical Panels	Kay Industries Rotophaser

Capitol Peak (Weyerhaeuser tower and Building)

Shively 4-bay ½ wave V-Pol antenna	QEI 10kw Tube transmitter
Armstrong exciter	Crown 2kw Solid State Transmitter
Armstrong Exciter	Analog STL receiver
Analog STL Transmitter	Burk Remote Control
Two, PR-950 Paralector STL dishes	One 6' grid STL dish

Tumwater (AT&T Tower, South Sound Building)

Moseley SL 90003G	Moseley LanLink HS
Battery Backup system	8' Grid STL dish
PR-950 paralector STL dish	

Queen Anne (Fisher tower and building)

Harris STL Digital transmitter

8' Grid STL Dish

Olympia Studio (Leased Building, equipment to be removed in 2012)

Moseley SL9003G

Sage EAS Monitor

Omnia 6

Moseley LanLink HS

Analog STL Transmitter

See attached Inventory

Schedule 1(d)

Intangible Personal Property

None

Schedule 1(e)**Contracts, Real Property Leases, and Other Agreements****Real Property Leases**

Amended and Restated Option and Lease Agreement, dated as of October 4, 2004, with Green Diamond Resource Company, as landlord (South Mountain)

Sublicense Agreement, dated as of September __, 2005, with Bustos Media of Seattle, LLC, as sublicensee (South Mountain)

Communications Site Agreement, dated as of January 1, 2002, as amended by Supplemental Agreement #2, dated as of December 17, 2004 (superseding Supplemental Agreement #1, dated as of February 5, 2003), with Weyerhaeuser Company as landlord (Capital Peak)

Tower Sublease Agreement, dated as of July 15, 1996, with Olympic Cellular Telephone Company, Inc. (AT&T) as landlord

Schedule 1**Excluded Assets**

The Excluded Assets include, but are not limited to, those specifically identified in Section 1 of the Option Agreement and the following:

FCC Licenses*Translator Licenses:*

Number	Facility ID	Location	Status
K229BP	142716	Auburn	
K259BG	140810	Chehalis	
237D (Application)	-	Tumwater	Pending
229D (Application)	-	Independence	Pending
239D (Application)	-	Independence	Pending
271D (Application)	-	Gig Harbor	Pending
271D (Application)	-	Sumner	Pending

STL:

WHY669 948,000

Tangible Personal Property

See attached Inventory

**SOUTH SOUND BROADCASTING LLC
INVENTORY
TANGIBLE PERSONAL PROPERTY NOT INCLUDED IN OPTIONED ASSETS**

Description	Model	Serial Number	Frequency
Metal 2 Door Supply Cabinet/Tools			
Phone system & 15 phones			
STL Transmit Dish to Capital Peak (2)			
Cummings 15kw Generator & transfer switch			
STL Transmit Dish to Capital Peak (2)			
Storage Shed			
2 studio speakers	JBL 4408A		
Teac CD player	CD-P1440		
Denon CD Player			
Sony Mini Disc	MDS JE330		
Omtimus Dual Cassette Deck			
Panasonic Digital Audio Recorder	SV4100		
Bettringer head dist amp	HA4700		
2 - Mic / Boom			
2 - monitors/keyboard/mouse			
Mackie Audio board	1402-VL2 Pro		
Broadcast tools controller 2			
4 drawer file cabinet			
2 - broadcast tools audio switcher 6x1			
Gentner	SPH10		
Symetrix DA	581E		
Symetrix Voice Processor	528E		
Symetrix	VSC-1		
Symetrix monitor amp	420		
Audio arts power supply	PS-6040		
Computer with Cool Edit			
Mackie Audio Board	1402 VL2 Pro		
2 JBL Speaker	4408A		
Mic & Boom			
APC UPS			

Description	Model	Serial Number	Frequency
Monitor			
Teac CD player			
Sony CD player			
Symetrix Voice Processor			
Computer with Cool Edit			
Audio Arts A-60 Console 14 channel			
Rane headphone amp	HC6		
2 - Symetrix voice processor	528E		
Symetrix power amp	420		
2 - Mic / 3-Booms			
1 Tascam CD player			
1-Denon CD player	CD-400		
Symetrix AGC leveler	422		
2 - studio speakers	JBL 4408A		
2 - monitors			
Computer with Cool Edit			
Tieline Commander			
Aphex Limiter ***			
Google Automation System	SS32		
Streaming computer			
Day Sequerra HD Radio Mod Monitor	M2		
Tascam cassette deck	122MK III		
APC	XS1000		
2 - APC Smart UPS	1400		
4 network rack servers			
Mini-View Monitor Switcher			
Broadcast tools 1x4 audio switcher			
Symetrix voice processor	628		
Gentner	TS612		
Teac CD Player			
Dell Monitor			
Teac tuner	T-R600		
Teac tuner	AG-V8520		
Broadcast Tools Switcher			
Broadcast Tools Distribution Amp			
Desk / 2 Chairs			

Description	Model	Serial Number	Frequency
4 drawer lateral file			
Personal Laptop Computer			
2 drawer file cabinet			
HP printer	PSC 1110		
4 drawer file cabinet			
Fellows shredder	PS60C-2		
Personal Laptop Computer			
Modular Desk / chair / +2 chairs			
2 door cabinet			
Traffic Computer with scanner			
Desk / Chair			
2 chairs			
2 drawer file cabinet			
HP LaserJet4 Printer			
Onkyo receiver	TX-8211		
HP-Fax Machine	HP1040		
HP b&w LaserJet printer	4000		
Canon copier - lease	Imagerunner 2200		
Ricoh Color Printer	Aficio AP3850C		
Refrigerator			
Microwave			
Dell computer			
15" monitor			
desk / chair			
desk / chair			
4 drawer file cabinet			
Brother Laser printer	4050N		
2 - computers			
19" Princeton monitor	VX900		
4 - 4 drawer file cabinets			
2 drawer file cabinet			
17" Sylvania monitor			
HP all-in-one	7410xi		
HP fax	HP1040		
Cordless uniden phont			
3 drawer file/storage cabinet			

Description	Model	Serial Number	Frequency
2 - chairs			
Small round conference table & chairs			
computer			
15" monitor			
Desk / chair			
2 drawer wood file cabinet			
20" TV			
computer			
15" Dell monitor			
Epson printer	color 660		
1 desk			
chair			
BC UPS			
computer			
BC UPS			
17" monitor			
15" TV			
voice processor	VX2496		
Desk / chair			
Radio Shack scanner	Pro-2049		
4 drawer file	1531310		
2 drawer wood file			
4 shelf cabinet with doors			
Spare equipment storage			
Panasonic phone switch & system			

Schedule 5(a)

Calculation of the Purchase Price

1. Base Price. Subject to Section 5(a) hereof and paragraph (f) below, the Base Price shall be determined by Grantor as follows (with each capitalized term as defined and calculated as set forth below): *First*, the Five Eligible Stick Transactions shall be determined; *second*, calculate the Price Per Pop for each of the Five Eligible Stick Transactions, *third*, calculate the Average Price Per Pop; and *fourth* calculate the Base Price based upon such Average Price Per Pop in accordance with the formula set forth in paragraph (a) below.

(a) The "**Base Price**" shall be an amount equal to the product of (i) the Average Price Per Pop *multiplied by* (ii) the population Reached by the Station within the then most-current Seattle ARB Metro.

(b) The "**Average Price Per Pop**" shall be an amount equal to the average, that is, the simple arithmetic mean, of the Price Per Pop for each of the Five Eligible Stick Transactions.

(c) With respect to an Eligible Stick Transaction, the "**Price Per Pop**" shall be an amount equal to (i) the total price paid to the seller(s) in such Eligible Stick Transaction *divided by* (ii) the total population Reached by the FM station being sold in such Eligible Stick Transaction.

(d) With respect to an FM Station, the population "**Reached**" by such station for purposes of this *Schedule 5(a)* shall be the population reached by such station in its target market's Longley-Rice 60+dBu as of the time the sale was entered into per the then most-current ARB Metro.

(e) For purposes of calculating the Average Price Per Pop, the Five Eligible Stick Transactions shall be determined as follows:

- (i) An "**Eligible Stick Transaction**" shall mean a consummated transaction involving the sale of an FM radio station that reaches between 55% and 90% of its ARB market and such station sale shall be substantially limited to the sale of such station's FCC licenses and certain related core assets (such as a tower site, tower lease or transmission equipment) and exclusive of any ancillary operating or other assets relating to the business and operation of a radio station (such as, by way of example and not of limitation, material programming or talent agreements).
- (ii) The "**Five Eligible Stick Transactions**" shall be the *first* five (5) Eligible Stick Transactions identified for the applicable twelve (12) month periods in the ARB markets below, determined in the sequence of markets set forth below and, as to Eligible Stick Transactions within the same market, sequenced in reverse chronological order beginning with the most recent Eligible Stick Transaction in such market:

(A) Eligible Stick Transactions consummated during the twelve (12) -month period immediately prior to the date of determination in:

First, the Seattle market (currently market number 13);

Second, market number 12;

Third, market number 14;

Fourth, market number 11;

Fifth, market number 16 (and, in all events, exclusive of the Puerto Rico market (currently market 15)); and following this alternating sequence up to and including market 26, but no higher. Notwithstanding the foregoing, the Seattle market shall in all events be the first market examined, but in the event that as of the date of determination Seattle is not market number 13, the second step shall be the market immediately below the Seattle market, that is, the one having a market number that is lower, and the third step shall be the market immediately above the Seattle market, that is, the one having a market number that is higher, with the process following that adjusted sequence, with the Puerto Rico market excluded, which shall in all events not go higher than market number 26.

B. *Next*, Eligible Stick Transactions identified in the manner and sequence contemplated in paragraph (A) immediately above consummated in the period beginning twenty four (24) months prior to the date of determination and ending on the date twelve (12) months prior to such date of determination.

C. *Thereafter*, if necessary, Eligible Stick Transactions identified in the manner and sequence contemplated in paragraph (A) above in successive, earlier twelve (12)-month periods.

(f) Notwithstanding anything in the foregoing to the contrary, in no event shall the Base Price (i) be less than REDACTED) or (ii) exceed REDACTED
REDACTED

2. **Escalation Amount.** For purposes of this Agreement, the Escalation Amount shall be deemed to be an amount equal to REDACTED

Exhibit A

[reserved]

Exhibit B -- Form of Assignment Agreement

This Assignment and Assumption Agreement (this "**Agreement**") is made as of [____], 20[____], by and among South Sound Broadcasting L.L.C. ("**Seller**"), and Fisher Broadcasting-Seattle Radio LLC ("**Buyer**").

WITNESSETH:

WHEREAS, Seller and Buyer are parties to that certain Option Agreement, dated as of June 22, 2012 (the "**Option Agreement**"); and

WHEREAS, Seller desires to assign to Buyer all of Seller's right, title and interest in, to and under the contracts relating to the business of the Station (as defined in the Option Agreement) (collectively, the "**Assumed Contracts**"), and Buyer is willing to accept assignment of such rights and assume such duties and obligations arising under or in connection with the Assumed Contracts, in each case pursuant to the terms and subject to the conditions of the Option Agreement and this Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, Seller and Buyer, intending to be legally bound, hereby agree as follows:

1. **Defined Terms; Interpretation.** Except as otherwise set forth herein, capitalized terms used herein have the meanings assigned to them in the Option Agreement.
2. **Assignment and Assumption.** Pursuant to the terms and subject to the conditions of the Option Agreement and effective as of the date hereof, (a) Seller hereby conveys, assigns, and transfers to Buyer, its successors and assigns, all of Seller's right, title and interest in, to and under the Assumed Contracts, free and clear of any and all Liens, and delegates to Buyer all of its duties and obligations to be performed or arising on or after the date hereof in connection with or under the Assumed Contracts, and (b) Buyer hereby accepts the above assignment of rights and delegation of duties and obligations and agrees to be bound by and to assume such duties and obligations arising under or in connection with the Assumed Contracts to be performed or arising on or after the date hereof and to indemnify and hold Seller harmless pursuant to the terms and subject to the conditions of the Option Agreement.
3. **Further Assurances.** Each party to this Agreement agrees to execute, acknowledge, deliver, file and record, and to cause to be executed, acknowledged, delivered, filed and recorded, such further certificates, instruments, and documents and to do, and cause to be done, all such other acts and things, as may be required by law, or as may, in the reasonable opinion of the other party hereto, be necessary or advisable to carry out the purposes of this Agreement.
4. **Binding Effect; Amendments.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No modification, amendment or waiver of any provision of, or consent or approval required by, this Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the party against whom enforcement of any such modification, amendment, waiver, consent or approval is sought.

5. **Governing Law.** Construction and interpretation of this Agreement shall be governed by the laws of the State of Washington, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.
6. **Option Agreement Controlling.** Notwithstanding any other provisions of this Agreement to the contrary, nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, or any of the obligations of Seller or Buyer set forth in the Option Agreement, including any limits on indemnification specified therein. This Agreement is subject to and controlled by the terms of the Option Agreement.
7. **Counterparts.** This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Agreement.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties has caused this Assignment and Assumption Agreement to be duly executed and delivered as of the day and year first above written.

SOUTH SOUND BROADCASTING L.L.C.

FISHER BROADCASTING-SEATTLE RADIO
LLC

By: _____
Name:
Title:

By: _____
Name:
Title:

Exhibit C -- Form of Assignment and Assumption Agreement FCC Licenses**ASSIGNMENT AND ASSUMPTION AGREEMENT
FCC LICENSES**

This **ASSIGNMENT AND ASSUMPTION AGREEMENT**, dated as of _____, 20__ ("**Agreement**"), is made, executed and delivered by South Sound Broadcasting L.L.C. ("**Assignor**"), and Fisher Broadcasting-Seattle Radio LLC ("**Assignee**").

WITNESSETH:

WHEREAS, pursuant to Assignee's exercise of the option to purchase, among other assets, the FCC Licenses listed on Schedule A attached hereto (the "**FCC Licenses**") granted to Assignee by Assignor under that certain Option Agreement, dated as of June 22, 2012, by and among, Assignor and Assignee (the "**Option Agreement**"), Assignor has agreed to convey and assign to Assignee, and Assignee has agreed to assume, subject to the consent of the Federal Communications Commission (the "**FCC**"), the FCC Licenses;

WHEREAS, the FCC has granted its consent to the assignment of the FCC Licenses from Assignor to Assignee; and

WHEREAS, Assignor desires to transfer and assign to Assignee all of Assignor's right, title and interest in and to the FCC Licenses and Assignee desires to assume Assignor's obligations with respect thereto;

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee, intending to be legally bound, hereby agree as follows:

1. **Defined Terms.** Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Option Agreement.

2. **Assignment.** Assignor does hereby assign and deliver to Assignee all of its right, title and interest in and to the FCC Licenses. Assignor shall remain liable for all of the obligations and liabilities arising under the FCC Licenses relating to or arising prior to the Closing Date. Assignee hereby agrees that it shall assume and discharge and perform all of the obligations and liabilities of Assignor under the FCC Licenses relating to or arising on or after the Closing Date. Assignee shall not assume any other obligations or liabilities of Assignor pursuant to this Agreement.

3. **Further Assurances.** Assignor and Assignee shall each execute and deliver such other documents and take such other actions as the other party hereto may reasonably request, at the FCC or otherwise, to confirm the assignment executed hereby and to vest title in and to the FCC Licenses in Assignee, except that Assignee shall promptly execute and file a consummation notice at the FCC as required by FCC Rules, a copy of which shall be delivered to Assignor.

4. ***Binding Effect; Amendments.*** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No modification, amendment or waiver of any provision of, or consent or approval required by, this Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the party against whom enforcement of any such modification, amendment, waiver, consent or approval is sought.

5. ***Governing Law.*** Construction and interpretation of this Agreement shall be governed by the laws of the State of Washington, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

6. ***Option Agreement Controlling.*** Notwithstanding any other provisions of this Agreement to the contrary, nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, or any of the obligations of Assignor or Assignee set forth in the Option Agreement, including any limits on indemnification specified therein. This Agreement is subject to and controlled by the terms of the Option Agreement.

7. ***Counterparts.*** This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Agreement.

[Signature pages follow.]

IN WITNESS WHEREOF, Assignor and Assignee have executed this Assignment and Acceptance Agreement as of the date first above written.

SOUTH SOUND BROADCASTING L.L.C.

FISHER BROADCASTING-SEATTLE RADIO
LLC

By: _____
Name:
Title:

By: _____
Name:
Title:

Schedule A

FCC Licenses

Exhibit D - Notices

If to Option Holder, to:

Fisher Communications, Inc.
100 Fourth Ave. No.
Suite 510
Seattle, WA 98109
Attention: Colleen Brown, CEO
Facsimile: 206-404-6037

with a copy (which shall not constitute notice) to:

Covington & Burling
1201 Pennsylvania Avenue, N.W.
Washington, DC 20004-2401
Attention: Eric Dodson Greenberg, Esq.
Phone: (202) 662-5193
Fax: (202) 778-5198

If to Grantor to:

South Sound Broadcasting L.L.C.
Attention: Gregory J. Smith
PO Box 53248
Bellevue, WA. 98015-3248
Telephone: 206-790-5405
Facsimile: 425-671-0888

with a copy (which shall not constitute notice) to

William L. Neal
Stokes Lawrence, P.S.
800 Fifth Avenue, Suite 4000
Seattle, WA 98104
Telephone: 206-892-2116
Facsimile: 206-464-1496

**AMENDED AND RESTATED
LOCAL MARKETING AGREEMENT**

This AMENDED AND RESTATED LOCAL MARKETING AGREEMENT (the "**Agreement**"), made as of this 25th day of June, 2012, is by and between Fisher Broadcasting-Seattle Radio LLC, a Delaware limited liability company ("**Programmer**"), and South Sound Broadcasting L.L.C., a Washington limited liability company ("**Licensee**").

WITNESSETH:

WHEREAS, Licensee is the owner and licensee of radio station KOMO-FM, Oakville, Washington, which operates on frequency 97.7 (the "**Covered Station**");

WHEREAS, Licensee and Programmer entered into that certain Local Marketing Agreement, dated May 8, 2009, pursuant to which Programmer provides assistance to Licensee in providing programming to be transmitted on the Covered Station and provides certain related support services with respect to the Covered Station (the "**2009 LMA**");

WHEREAS, prior to the expiration of the 2009 LMA, the parties desire to amend and restate such 2009 LMA for a new term, as provided herein, and to set forth the terms and conditions applicable to such term and to provide that this Agreement supersedes and replaces the 2009 LMA as of the date hereof in all respects;

WHEREAS, Licensee desires to accept Programmer's assistance and transmit programming supplied by Programmer on the Covered Station while maintaining ultimate control over the Covered Station's finances, personnel matters and programming; and

WHEREAS, Licensee has granted to Programmer an option to acquire certain assets owned or held for use by Licensee in connection with the Covered Station (the "**Option**"), pursuant to that certain Option Agreement, by and between Licensee and Programmer, dated as of the date hereof (the "**Option Agreement**").

NOW, THEREFORE, in consideration of these premises and the mutual promises, undertakings, covenants and agreements of the parties contained in this Agreement, the parties hereto do hereby agree as follows:

ARTICLE 1 - COMMENCEMENT AND TERM

Section 1.1 Commencement. For purposes of this Agreement, the date on which the delivery and transmission of the LMA Programming (as hereinafter defined) shall be deemed to commence (such date, the "**Commencement Date**") shall be June 23, 2012.

Section 1.2 Term. Subject to Article 5, the initial term of this Agreement shall commence as of the date hereof and shall expire on June 22, 2017 (the "**Initial Term**"); *provided, however*, that if Programmer shall have timely exercised the Option during the Initial Term and the Option Closing shall have not occurred prior to the expiration of the Initial Term, then the term of this Agreement shall be deemed extended for the period ending on the date of the Option

Closing (such Initial Term, together with any extension of such Initial Term pursuant to the foregoing proviso, if applicable, the "*Term*").

ARTICLE 2 - PROGRAMMING

Section 2.1 Programming.

(a) Commencing on the Commencement Date, and thereafter during the Term, Programmer hereby agrees to provide, and Licensee hereby agrees to transmit on the Covered Station, programming and associated advertising, promotional and public service programming and announcement matter sufficient to program a substantial amount of the Covered Station's broadcast day on a daily basis (the "*LMA Programming*"). Programmer shall deliver, at its own cost, the LMA Programming to the Station's transmitting facilities via a mode of transmission (including by way of example and not of limitation, origination at Licensee's studios, satellite facilities, microwave facilities and/or telephone lines) that will ensure that the LMA Programming meets technical and quality standards at least equal to those of the Covered Station's broadcasts prior to the Commencement Date. Programmer shall be solely responsible for all expenses of production, promotions, marketing, sales and programming with respect to the LMA Programming.

(b) *Advertising Sales.* During the Term, Programmer shall have the sole right to (i) sell advertising to be placed in all programming broadcast on the Covered Station from and after the Commencement Date and (ii) bill for and collect the payments for all programs and commercials aired on the Covered Station from and after the Commencement Date.

(c) *Obligations Extending Beyond the Term.* Without the prior written consent of Licensee, Programmer shall not enter into any contracts or agreements on behalf of Licensee or the Covered Station that would, by their express terms, require performance by Licensee following the expiration of the Initial Term (a "*Post-Term Agreement*"), unless (i) such Post-Term Agreement would permit Programmer to satisfy any obligations thereunder requiring satisfaction following the expiration of the Initial Term by placing programming or advertising on stations owned or operated by Programmer, other than the Covered Station or (ii) such Post-Term Agreement may be terminated without penalty upon no more than thirty (30) days notice to the other parties thereto. In the event that Programmer enters into a Post-Term Agreement, Programmer shall terminate any such Post-Term Agreement as soon as reasonably practicable following the expiration or termination of this Agreement and shall indemnify Licensee for any and all costs and expenses actually incurred by Licensee arising out of or in connection with such Post-Term Agreement (including any termination thereof) from and after the date of termination or expiration of this Agreement, unless Licensee elects to perform such Post-Term Agreement following such expiration or termination and notifies Programmer in writing of such election prior to any such termination.

Section 2.2 Licensee Control and Programming. Notwithstanding anything to the contrary in this Agreement, Licensee hereby certifies, pursuant to Note 2 of FCC Rule 73.3555, section (j)(3), that Licensee maintains ultimate control over the Covered Station's facilities including, specifically, control over the Covered Station's finances, personnel, and programming. Licensee shall bear the responsibility for the Covered Station's compliance with

all applicable provisions of the Communications Act of 1934, as amended (the "**Communications Act**"), and the rules, regulations and policies of the Federal Communications Commission (the "**FCC**") promulgated thereunder (collectively, the "**FCC Rules**"), and all other federal, state, local or foreign constitution, treaty, law, statute, ordinance, rule, regulation, interpretation, directive, policy, order, writ, decree, injunction, judgment, stay or restraining order, provisions and conditions of permits, licenses, registrations and other operating authorizations, any ruling or decision of, agreement with or by, or any other requirement of, any governmental authority (collectively, "**Applicable Laws**"). Programmer certifies that this Agreement complies with the provisions of FCC Rule 73.3555(a), (c) and (d).

Section 2.3 Deletion and Preemption.

(a) Nothing contained herein shall prevent Licensee from (i) rejecting or refusing any LMA Programming that (1) it believes to be contrary to the public interest, (2) contains content which violates the rights of any third party or (3) does not meet the requirements of the Communications Act or the FCC Rules, or (ii) substituting programs which it believes to be of greater local or national importance or which are designed to address the problems, needs, and interests of the local communities. In all cases of rejection or preemption of LMA Programming by Licensee, except those involving breaking news, Licensee shall make reasonable efforts to provide Programmer with not less than fifteen (15) days' notice of Licensee's intention to reject or preempt such LMA Programming.

(b) If Licensee preempts or rejects any LMA Programming in any calendar month during the Term, other than preemptions or rejections (i) as the result of a local, state or national emergency, (ii) as a result of the content thereof being previously determined by the FCC to be in violation of the Communications Act or the FCC Rules, or (iii) based on Licensee's good faith determination that such LMA Programming contains content that violates the Communications Act, the FCC Rules or the rights of any third party, Licensee shall reimburse Programmer an amount equal to the rate charged by Programmer for the advertising time scheduled during the rejected or preempted LMA Programming.

Section 2.4 Access to and Use of Assets and Call Sign.

(a) Licensee hereby grants to Programmer, and Programmer hereby accepts from Licensee, access to and the right to use, at any time and from time to time during the Term, and under the supervision and control of Licensee, antennae, transmitters, equipment, assets, rights under leases and all other property owned or leased by Licensee and used and useful in connection with the operation of the Covered Station (collectively, the "**Licensee Assets**"), pursuant to the terms and subject to the conditions of this Agreement. Licensee shall be responsible for maintaining main studio facilities for the Covered Station pursuant to Section 73.1125 of the FCC Rules and Programmer shall have the right to use and access such main studio facilities for the purpose of performing its obligations hereunder. Programmer acknowledges and agrees that (i) certain assets of Licensee described in the Option Agreement as the "Excluded Assets" are not used or useful in the operation of the Covered Station and are excluded from the Licensee Assets, and (ii) nothing herein shall give Programmer any right to use any of the Excluded Assets or restrict Licensee's ability to deal with such Excluded Assets as Licensee sees fit.

(b) Under the FCC Rules, Programmer is the holder of the call sign "KOMO" (the "**Call Sign**"), which such Call Sign is used in connection with Programmer's operation of its broadcast radio station KOMO-FM (the "**Programmer Station**"). In accordance with Section 73.3550 of the FCC Rules, Programmer and Licensee hereby mutually consent and agree to use the Call Sign in connection with the operation of the Covered Station during the Term. Neither Licensee nor Programmer shall use any call sign other than the Call Sign in connection with the operation of the Covered Station during the Term unless required pursuant to Applicable Law, the Communications Act or the FCC Rules.

(c) Licensee may represent to the FCC in any application or other documentation filed by it that Programmer has consented to the use of the Call Sign in connection with the operation of the Covered Station on the terms set forth herein. Licensee shall be entitled to file a copy of this Agreement with the FCC in connection with any such application or document filed by Licensee in connection with the Call Sign or the Covered Station and, if requested by the FCC or reasonably requested by Licensee, Programmer shall provide to Licensee a separate letter evidencing its consent to the use of the Call Sign in connection with the Covered Station.

Section 2.5 Conditions to Use of Licensee Assets and Call Sign.

(a) Programmer shall use the Licensee Assets only to perform its obligations under this Agreement.

(b) The Licensee Assets shall, to the extent used by Programmer throughout the Term, be used in all material respects in accordance with the Communications Act and all applicable FCC Rules and subject to Licensee's ultimate oversight and control. Except as otherwise provided in this Agreement, Programmer may not, without Licensee's prior written consent, make alterations or modifications to the Licensee Assets.

(c) Programmer shall not use or permit the Licensee Assets to be used in any manner or for any purpose for which the Licensee Assets are not designed or reasonably suitable or otherwise in a manner that is inconsistent with good engineering practices. Programmer shall comply with all Applicable Laws concerning the operation of the Licensee Assets.

(d) Licensee shall retain title to all of the Licensee Assets throughout the Term and, without limiting the terms of the Option Agreement, nothing contained herein shall be deemed to effect any transfer of such title.

(e) The consent of Programmer set forth in Section 2.4(b) is intended to be a consent only to the use of the Call Sign in connection with the operation of the Covered Station and is not intended to be a license of the service mark "KOMO" or of any other service marks or trademarks, whether registered or unregistered under Applicable Law, owned by Programmer or any of its parents, subsidiaries, or affiliates, or to which Programmer or any of its parents, subsidiaries, or affiliates have rights. Licensee will not seek any federal or state patent or trademark registration, or registration as a service mark, of "KOMO" or "KOMO-FM," and Licensee will not object to, seek cancellation of, or institute a concurrent use proceeding in connection with any proceeding Programmer may institute in respect of the registration of the

service mark "KOMO" or "KOMO-FM" (either with or without design or logo). Licensee hereby acknowledges that Programmer's rights in and to the Call Sign are, and will remain, superior to those of Licensee and hereby agrees not to take any actions (except actions expressly permitted hereby) that would impair the superior rights of Programmer in and to the Call Sign. Licensee hereby agrees to cooperate in any manner reasonably requested by Programmer in connection with any new proceeding to register the call sign "KOMO" (either with or without design or logo) as a service mark or trademark of Programmer under Applicable Law, and Licensee will not take any actions that would impair any efforts by Programmer to effect such registration. Licensee shall undertake not to use the Call Sign in any way that denigrates the reputation of the Programmer Station.

(f) Notwithstanding any provision of this Agreement to the contrary, the consent of Programmer to the use of the Call Sign as set forth in Section 2.4(b) (i) may be terminated by Programmer for any reason upon sixty (60) days' prior written notice to Licensee and (ii) shall be automatically terminated upon (1) the transfer of control of, or assignment of the FCC license with respect to, the Programmer Station to any entity that is not an affiliate of Programmer; (2) the transfer of control of Programmer to any entity that is not an affiliate of Programmer; and (3) the termination or expiration of this Agreement. Immediately upon the termination of the consent of Programmer in accordance with the foregoing sentence, Licensee shall cease to use the Call Sign in connection with the Covered Station.

ARTICLE 3 - OPERATIONS

Section 3.1 Compliance With FCC Regulations.

(a) Licensee shall retain ultimate responsibility for and employ or engage such personnel as is necessary to assure compliance with the Communications Act and all FCC Rules, including all FCC Rules relating to (i) technical operations of the Covered Station, (ii) programming content requirements, (iii) the maintenance of a main studio and a meaningful managerial and staff presence at that main studio, (iv) political programming, (v) sponsorship identification (subject to Section 3.1(c)), (vi) lotteries and contests, (vii) the maintenance of the Covered Station's public and political files and (viii) the compilation of appropriate quarterly programs/issues lists and employment records.

(b) Licensee expressly acknowledges that its duty to maintain the Covered Station's public inspection files is non-delegable and it retains sole responsibility for maintenance of the files. Programmer shall provide to Licensee monthly documentation of the LMA Programming that it believes addresses issues of concern to the Covered Station's community of license on a timely basis. Programmer also shall forward to Licensee, within twenty-four (24) hours of receipt by Programmer, any letter from a listener of the Covered Station addressing the Covered Station's programming and any documentation that comes into Programmer's custody that Programmer believes is required to be included in the Covered Station's public inspection file.

(c) Subject to Section 2.4(b), Licensee shall be responsible for ensuring proper broadcast of the Covered Station's identification announcements; *provided, however*, that Programmer shall include in the LMA Programming appropriate identification announcements

for the Covered Station that comply with FCC Rules in an aural form reasonably acceptable to Licensee and any Emergency Alert System tests that the Covered Station may be required to transmit.

(d) Programmer agrees that neither it nor its agents, employees, consultants or personnel shall accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, without limitation, a commission, discount, bonus, materials, supplies or other merchandise, services or labor (collectively, "**Consideration**"), from any merchant, advertiser or other third party providing content to Programmer or the Covered Station, whether or not pursuant to written contracts or agreements between Programmer and such merchants, advertisers, or other person or entity, unless the person or entity paying such Consideration is identified in the program for which the Consideration was provided as having paid or furnished such Consideration in accordance with the Communications Act and applicable FCC Rules.

(e) Licensee shall retain full responsibility for overseeing compliance with the FCC Rules relating to political programming with respect to the Covered Station. At least ninety (90) days prior to the beginning of any primary or general election period, subject to Licensee's approval, Programmer shall propose reasonable rates to be charged to legally qualified political candidates, which such rates shall conform with applicable election law and FCC Rules. Programmer agrees to provide Licensee with access to its documentation concerning the pricing of advertising sold on the Covered Station as is necessary to permit Licensee to ascertain that the political rate is appropriate. Within twenty-four (24) hours of any request to purchase time on the Covered Station on behalf of a legally qualified candidate, Programmer shall report the request and their disposition to Licensee. Licensee shall be responsible for placing appropriate records in the Covered Station's political files. In the event that a candidate for public office demands to purchase air time directly from Licensee rather than Programmer, Licensee may sell such time and, after consulting with Programmer, may preempt LMA Programming as necessary to broadcast directly-sold political programming; *provided, however*, that all revenue or payments arising from such political programming shall be due and payable or otherwise remitted to Programmer.

Section 3.2 Maintenance.

(a) Programmer shall use its commercially reasonable efforts to assist Licensee, at all times under the supervision and ultimate control of Licensee, in the operation of the Covered Station.

(b) Licensee shall engage a chief engineer who will be responsible for maintaining the Covered Station's transmission facilities. Licensee shall engage a chief operator, as defined by the FCC Rules (and who may also hold the position of chief engineer), who will be responsible for ensuring compliance by the Covered Station with the technical operating and reporting requirements established by the FCC. Programmer shall not take any action, or fail to take any action which it is obligated to take under this Agreement which would cause the Covered Station not to be in compliance with Applicable Laws or the FCC Rules, and Programmer shall provide reasonable assistance to Licensee to ensure that the Covered Station complies with Applicable Laws and the FCC Rules.

(c) During the Term, Licensee shall make available to Programmer at least ninety percent (90%) of the Covered Station's effective radiated power (as of the Commencement Date) for the entire time that the Covered Station is broadcasting over the air, except for downtime required for occasional maintenance and other interruptions contemplated by Section 3.2(d) and events described in Section 8.1 hereof. To the extent applicable, Licensee shall provide Programmer with at least forty eight (48) hours advance written notice of any routine or non-emergency maintenance work affecting the operation of the Covered Station at full power and shall, to the extent possible, schedule such maintenance work to be performed between the hours of 1:00 a.m. and 6:00 a.m., local time.

(d) If the Covered Station suffers any loss or damage of any nature to its transmission or studio facilities which results in the interruption of service or the inability of the Covered Station to operate with its maximum facilities (as of the Commencement Date), Licensee shall immediately notify Programmer of such loss or damage and Programmer shall (i) undertake such repairs as are reasonably necessary to restore full-time operation of the Covered Station as expeditiously as reasonably possible, at its sole cost and expense, or (ii) request that Licensee undertake such repairs, in which case the actual out-of-pocket costs and expenses incurred by Licensee shall be considered Operating Expenses (as defined below) and, accordingly, shall be reimbursed by Programmer in accordance with *Schedule 4.2*, unless the applicable loss or damage was as a result of Licensee's or its employees' or agents' gross negligence or willful misconduct.

Section 3.3 Additional Affirmative Covenants.

(a) Licensee covenants and agrees that it will fully comply with all Applicable Laws (including, without limitation, the Communications Act and all FCC Rules) and pertinent provisions of all contracts, permits and other agreements to which it is a party or is otherwise bound related to the Covered Station or this Agreement.

(b) (i) Programmer covenants and agrees that it will fully comply with all Applicable Laws (including the Communications Act and all FCC Rules) in the provision of the LMA Programming and other services to Licensee pursuant to this Agreement and otherwise in connection with the performance of its obligations hereunder.

(ii) In performing its obligations hereunder, Programmer shall use its commercially reasonable efforts to perform or discharge on behalf of Licensee the obligations and liabilities under all contracts in effect as of the Commencement Date related to the operation of the Covered Station to which Licensee is a party or by which Licensee is bound in accordance with the provisions hereof ("***Existing Contracts***"). In connection with the foregoing, Licensee shall use all commercially reasonable efforts to provide Programmer the benefits of any such Existing Contract; *provided*, that the parties acknowledge and agree that there may not be any such Existing Contracts where performance by Programmer will be needed.

(iii) Except as the parties may otherwise agree, Programmer shall not designate or engage any agent or otherwise subcontract with any third party to perform its duties or obligations under this Agreement or delegate the performance of such duties or obligations to any third party, including, without limitation, its duties and obligations hereunder with respect to

LMA Programming and the advertising sold in connection therewith, *provided* that Programmer may so designate, engage or delegate to an affiliate of Programmer and shall provide Licensee written notice thereof.

(iv) During the Term and only for so long as necessary for the LMA Programming to be broadcast on the Covered Station, Licensee shall obtain and maintain in full force and effect in its own name "per program" music licenses as are currently operative with respect to the Covered Station and as required by music licensing agencies and Programmer shall abide by the terms of such licenses. Programmer, upon request of Licensee, promptly shall provide Licensee with all information that is reasonably necessary for Licensee to complete required reports to the music licensors, insofar as those reports relate to LMA Programming and revenues therefrom. Programmer shall also maintain in effect contracts with music licensing agencies, and ultimately shall be responsible to pay all music license fees attributable to the LMA Programming or billed to it by music licensing agencies with respect to the LMA Programming. Programmer shall be responsible for any and all fees charged by ASCAP, BMI, SESAC or similar performing rights societies on LMA Programming, whether such fees are assessed against Programmer based on the LMA Programming or against Licensee based on the ownership of the Covered Station.

(v) Licensee shall not change or alter the format of the Covered Station at any time during the Term without the prior written consent of Programmer, which such consent may be granted or withheld in Programmer's sole discretion.

Section 3.4 Relocation.

(a) Following the date hereof, each of Licensee and Programmer covenants and agrees that it will use commercially reasonable efforts and otherwise cooperate in good faith to relocate the main studio facilities of the Covered Station as contemplated by that certain letter to Licensee from the Federal Communications Commission, In re: *KOMO-FM, Oakville, WA, Facility ID No.: 51167, South Sound Broadcasting, LLC, Request for confirmation of compliance with 47 C.F.R. § 73.1125*, dated December 13, 2011 (the "***Relocation***").

(b) Licensee covenants and agrees to use commercially reasonable efforts to obtain any FCC authorizations, including applicable broadcast auxiliary licenses, or file any notifications with the FCC that may be reasonably necessary to effectuate the Relocation.

(c) Upon completion of the Relocation, Programmer shall make available to Licensee and its employees such premises and facilities as may be reasonably necessary to conduct broadcast operations from such location and to establish the main studio of the Covered Station in such location.

ARTICLE 4 - FEES AND OTHER CONSIDERATION

Section 4.1 LMA Fee.

(a) From and after the Commencement Date and continuing thereafter until the expiration or termination of this Agreement, in consideration of the rights granted to Programmer under this Agreement, Programmer shall pay to Licensee a fee as set forth on

Schedule 4.1 attached hereto (the "**LMA Fee**") at such times and in such amounts and otherwise in accordance with such *Schedule 4.1*.

(b) The LMA Fee shall be prorated with respect to any partial period for which it is due, including upon termination of this Agreement in accordance with Article 5 hereof.

Section 4.2 Operating Expenses and Reimbursement.

(a) Commencing on the date of this Agreement and during the Term, Licensee shall be responsible for the operating expenses of the Covered Station (subject to Section 3.2(d)); *provided* that Programmer shall reimburse Licensee for the costs and expenses described on *Schedule 4.2* hereto (the "**Operating Expenses**") pursuant to the terms and subject to the conditions set forth herein. No later than the last business day of each calendar month during the Term, Licensee shall deliver to Programmer an invoice for Operating Expenses incurred during such calendar month, which such invoice shall include a itemization of the items included and their respective expenses and shall be accompanied by reasonable supporting documentation (each, an "**Operating Expenses Invoice**").

(b) No later than the last business day of each calendar month during the Term, Licensee shall provide Programmer with an accounting (a, "**Revenue Statement**"), for such month, of (i) any revenues earned by Licensee with respect to lease payments (the "**Lease Payments**") made to Licensee by third parties under leases relating to the use or occupancy of the broadcast tower owned by Licensee and located on South Mountain (the "**South Mountain Tower**") (including, without limitation, payments received from Adelante Media of Seattle, LLC ("**Adelante**" in respect of its obligation to reimburse Licensee for its pro rata share of maintenance, repair and similar costs under the sublease agreement by and between Licensee and Adelante), and (ii) any access fees (or portions thereof) paid to or retained by Licensee with respect to leases relating to the use or occupancy of the South Mountain Tower (the "**Access Fees**"). One hundred percent (100%) of the amounts shown on a Revenue Statement as Lease Payments *plus* fifty percent (50%) of the amounts show on a Revenue Statement as Access Fees shall hereinafter be referred to as the "**Monthly Revenues**".

(c) Subject to Section 4.2(d), no later than fifteen (15) days following Programmer's receipt of the Operating Expenses Invoice and the Revenue Statement for a calendar month during the Term, Programmer shall pay to Licensee an aggregate amount equal to the Operating Expenses for the applicable month *less* the Monthly Revenues for such month; *provided* that in the event that the Operating Expenses for a particular calendar month are less than the Monthly Revenues for such month, the excess Monthly Revenues not offset by the Operating Expenses shall carry over to the next calendar month and shall be offset against the Operating Expenses for such succeeding month in accordance with this Section 4.2(c). Any Monthly Revenues that would be carried over to the calendar month immediately following termination or expiration of this Agreement by operation of the foregoing proviso shall be retained by Licensee and credited against any amounts due and owing to Licensee by Programmer under the Option Agreement (whether such amounts are owed as the Purchase Price, as such terms are defined therein).

(d) In the event that Programmer disputes an invoice or items or expenses included therein, Programmer shall pay the undisputed amounts, if any, pursuant to Section 4.2(c) and Programmer and Licensee shall cooperate in good faith to resolve such dispute as expeditiously as practicable.

Section 4.3 Retained Revenue. Programmer shall retain all revenues resulting from the LMA Programming and from the sale of advertising and other time broadcast on the Covered Station during the Term.

Section 4.4 Pre-Commencement Date Accounts Receivable. Programmer acknowledges and agrees that the accounts receivable of Licensee relating to the Covered Station for material broadcast prior to the Commencement Date are and shall remain the sole property of Licensee. Any amounts received by Programmer that belong to Licensee pursuant to the foregoing sentence shall be promptly remitted to Licensee.

ARTICLE 5 - TERMINATION AND ASSIGNMENT

Section 5.1 Termination.

(a) In addition to all other rights of termination specified in this Section 5.1, either party shall be entitled to terminate this Agreement by delivering written notice (a "**Termination Notice**") to the other party if:

(i) the other party commits a material breach of any of the provisions of this Agreement (other than a breach of a payment obligation) and, in the case of a material breach capable of remedy, fails to remedy the breach within thirty (30) days of receipt of the Termination Notice describing such breach and requiring it to be remedied;

(ii) that other party fails to make any payments due and owing under this Agreement on the date any such payment is due and such failure is not remedied within ten (10) days of receipt of a Termination Notice describing such breach and requiring it to be remedied; or

(iii) the other party (i) files in a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of such party or of its assets; (ii) proposes a written agreement of composition or extension of any significant portion of its debts; (iii) is served with an involuntary petition against it, filed in any insolvency proceeding, and such petition is not dismissed within sixty (60) days after the filing thereof; (iv) consents to the appointment or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of such party or for any substantial part of its property or makes any assignment for the benefit of creditors; (v) admits in writing its inability to pay its debts generally as they become due; or (vi) has any material judgment, writ, warrant of attachment or execution or similar process issued or levied against it or a substantial portion of its property.

(iv) A Termination Notice shall become effective thirty (30) days following the expiration of the cure periods set forth in Sections 5.1(a)(i) and 5.1(a)(ii), in the case of termination pursuant to either such section, or thirty (30) days after delivery, in the case

of a termination pursuant to Section 5.1(a)(iii). For the avoidance of doubt, the party receiving a Termination Notice shall not have the right to cure such party's breach or failure giving rise to such Termination Notice beyond the cure periods set forth in Sections 5.1(a)(i) and 5.1(a)(ii), as applicable, or beyond the date of delivery of the Termination Notice in the event of a termination pursuant to Section 5.1(a)(iii).

(b) This Agreement shall terminate automatically, and without the requirement of any further action, immediately following the Option Closing (as such term is defined in the Option Agreement).

(c) This Agreement may be terminated pursuant to the terms and subject to the conditions of Section 5.2.

(d) The termination or expiration of this Agreement shall be without prejudice to any rights or obligations of the parties that may have accrued prior to such termination.

(e) In connection with a termination of this Agreement by Licensee pursuant to the terms and subject to the conditions of 5.1(a) above, nothing herein shall be deemed to limit the right of Licensee to seek the LMA Fee that would have been due and payable during the unexpired portion of the Term as damages in accordance with the terms of applicable law, including with respect to requirements for mitigation.

Section 5.2 Renegotiation Upon FCC Action.

(a) Should a change in FCC Rules make it necessary to obtain FCC consent for the implementation, continuation or further effectuation of any element of this Agreement, the parties hereto shall use their best efforts diligently to prepare, file and prosecute before the FCC all petitions, waivers, construction applications, amendments, rulemaking comments and other related documents necessary to secure or retain FCC approval of all aspects of this Agreement. Licensee and Programmer shall each bear their own costs of participating in the preparation of such documents and prosecution of such actions. Notwithstanding anything in this Agreement to the contrary, it is understood that no such filing shall be made with the FCC with respect to this Agreement unless each party hereto has had an opportunity to review such filing and to provide comments thereon. Each party shall use its commercially reasonable efforts to incorporate the comments (whether in whole or in part) of the other party to any such filing to be made with the FCC.

(b) If the FCC determines that this Agreement is inconsistent with Licensee's license obligations or is otherwise contrary to FCC Rules or the Communications Act, or if regulatory or legislative action subsequent to the date of this Agreement alters the permissibility of this Agreement under the FCC Rules or the Communications Act (an "***FCC Permissibility Determination***"), the parties shall renegotiate this Agreement in good faith and recast this Agreement in terms that are likely to cure the defects perceived by the FCC while maintaining the benefit of the bargain to the parties hereunder and to return a balance of benefits to both parties comparable to the balance of benefits provided by the Agreement in its current terms. If, after such good faith negotiations, either party determines that recasting this Agreement to cure the defects on which the FCC Permissibility Determination was based is impossible or

reasonably impracticable, either party shall have the right to terminate this Agreement without further liability upon written notice to the other party; *provided* that upon such notice of termination the Agreement shall continue in effect, if permissible under FCC Rules, for the shorter of (i) a period of sixty (60) days from the date of such termination notice or (ii) the period ending upon the expiration of the Term. Upon such termination of this Agreement, Licensee shall reasonably cooperate with Programmer to the extent permitted in order to enable Programmer to fulfill advertising or other programming contracts then outstanding, and Programmer shall reasonably cooperate with Licensee in order to effectuate a reasonable transition period from the LMA Programming to other programming on the Covered Station.

ARTICLE 6 - REPRESENTATIONS AND WARRANTIES

Section 6.1 Licensee's Representations and Warranties. Licensee represents and warrants to Programmer as follows:

(a) Licensee is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Washington and has the full power and authority to own its property, licenses and permits, and to carry out all of the transactions contemplated by this Agreement.

(b) Licensee has complied with and is in compliance in all material respects with all Applicable Laws governing the business, ownership and operations of the Covered Station. Except as otherwise disclosed herein, no consent, approval or authorization or filing by Licensee with any governmental authorities (other than the FCC) is required in connection with the transactions contemplated herein. The performance of this Agreement will not result in any violation of or be in conflict with Licensee's organizational documents or any Applicable Laws.

(c) All requisite internal corporate authorizations necessary for the execution, delivery, performance and satisfaction of this Agreement by Licensee have been duly adopted and are in full force and effect.

(d) Licensee is the holder of all licenses and authorizations necessary to operate the Covered Station under and in compliance with the Communications Act and the FCC Rules (the "*Licenses*") and each such License is held by Licensee in good standing. An accurate and complete list of all such Licenses is set forth on *Schedule 6.1* attached hereto. As of the Commencement Date, all such Licenses for the Covered Station shall be in full force and effect and unimpaired by any acts or omissions of Licensee, its employees or agents and there shall be no complaint, condition, event, defect or occurrence existing or threatened against the Licenses, Licensee or the Covered Station that would materially affect the operations of the Covered Station or the Licenses.

Section 6.2 Programmer's Representations and Warranties. Programmer represents and warrants to Licensee as follows:

(a) Programmer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and qualified to do business in the State of Washington and has the full power and authority to own its property, licenses and permits, and to carry out all of the transactions contemplated by this Agreement.

(b) Programmer has complied with and is now complying with all Applicable Laws governing its business and operations that are material in any way to this Agreement. Except as otherwise disclosed herein, no consent, approval or authorization or filing by Programmer with any governmental authorities (other than the FCC) is required in connection with the transactions contemplated herein. The performance of this Agreement will not result in any violation of or be in conflict with Programmer's organizational documents or any Applicable Laws.

(c) All requisite internal corporate authorizations necessary for the execution, delivery, performance and satisfaction of this Agreement by Programmer have been duly adopted and complied with.

Section 6.3 Survival of Representations and Warranties. All representations and warranties in this Agreement shall survive for a period of one (1) year after the date of the expiration or termination of this Agreement.

ARTICLE 7 - INDEMNIFICATION

Section 7.1 Indemnification by Programmer. Programmer shall indemnify, defend and hold harmless Licensee, its affiliates and all officers, managers, employees, members and agents of Licensee and its affiliates (each individually, a "**Licensee Indemnatee**") from and against any and all claims, demands, costs, damages, losses, liabilities, joint and several, expenses of any nature (including, without limitation, reasonable attorneys', accountants' and experts' fees and disbursements), judgments, fines, settlements and other amounts (collectively, "**Damages**") arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative (collectively, "**Claims**"), in which a Licensee Indemnatee may be involved, as a party or otherwise, arising out of: (a) the acts or omissions of Programmer, or Programmer's employees, agents or contractors, under or in connection with this Agreement or with respect to the Covered Station which such acts or omissions involve or result in: (i) libel and slander; (ii) infringement of trade marks, service marks, trade names, copyrights or other proprietary rights; (iii) violations of Applicable Laws (including the Communications Act or the FCC Rules); or (iv) invasion of rights of privacy; (b) any content of the LMA Programming, (c) any music license fees for which Programmer is responsible pursuant to Section 3.3(b)(iv), or (d) any breach by Programmer of its obligations under this Agreement.

Section 7.2 Indemnification by Licensee. Licensee shall indemnify, defend and hold harmless Programmer, its affiliates, and all officers, directors, managers, employees, stockholders, partners, members and agents of Programmer and its affiliates (each individually, a "**Programmer Indemnatee**"), from and against any and all Damages arising from any and all Claims in which a Programmer Indemnatee may be involved, as a party or otherwise, arising out of: (a) the acts or omissions of Licensee, or Licensee's employees, agents or contractors, under or in connection with this Agreement or with respect to the Covered Station which acts or omissions involve or result in: (i) libel and slander; (ii) infringement of trade marks, service marks, trade names, copyrights or other proprietary rights; (iii) violations of Applicable Laws (including the Communications Act or the FCC Rules); or (iv) invasion of rights of privacy; (b) any content of any programming provided by Licensee or its affiliates, or (c) any breach by Licensee of its obligations under this Agreement.

Section 7.3 Insurance. Programmer shall maintain broadcasters' liability insurance policies covering libel, slander, invasion of privacy and the like, general liability, blanket crime, property damage, business interruption, automobile liability, and workers' compensation insurance in forms and amounts customary in the radio broadcast industry (to the extent commercially reasonable, for example, Programmer shall not be required to obtain insurance specifically with respect to property it does not own), and Licensee shall maintain the existing insurance policies on the Covered Station or other policies providing substantially similar coverages, and each of the parties hereto will name the other as an additional insured under such policies to the extent that their respective interests may appear and will provide for notice to the other party prior to cancellation thereof. Upon request, each party shall provide the other party with certificates evidencing such insurance, and shall further provide certificates evidencing renewal thereof prior to the expiration of such policies.

ARTICLE 8 - MISCELLANEOUS

Section 8.1 Force Majeure. Notwithstanding anything contained in this Agreement to the contrary, no party shall be liable to another party for failure to perform any obligation under this Agreement if prevented from doing so by reason of fires, acts of terrorism, strikes, labor unrest, embargoes, civil commotion, rationing or other orders or requirements, acts of civil or military authorities, acts of God or other contingencies, including equipment failures, beyond the reasonable control of the parties, and all requirements as to notice and other performance required hereunder within a specified period shall be automatically extended to accommodate the period of pendency of such contingency which shall interfere with such performance.

Section 8.2 Confidentiality; Announcements.

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

(b) Notwithstanding anything contained herein to the contrary, no party shall be prohibited from (i) making any disclosures to any governmental authority that it is required by Applicable Laws, including, without limitation, the filing of this Agreement with the FCC and placing a copy of this Agreement in the public inspection files of the Covered Station or any station licensed to Programmer or an affiliate of Programmer, (ii) disclosing this Agreement or its terms to its attorneys, accountants, agents or advisors, (iii) providing a copy of this Agreement with, or disclosing the terms of this Agreement to, any institutional lender to such party or (iv) disclosing to its investors and broker/dealers such terms of this transaction as are customarily disclosed to them in connection with similar transactions.

(c) Neither party shall make or issue or cause to be made or issued, any announcement (written or oral) concerning this Agreement or the transactions contemplated hereby for dissemination to the general public without the prior consent of the other party. This provision shall not apply, however, to any announcement or written statement required to be made by Applicable Law or the regulations of any governmental authority or any stock

exchange, except that the party required to make such announcement shall provide a draft copy thereof to the other party hereto, and consult with such other party concerning the timing and content of such announcement, before such announcement is made, to the extent permitted by Applicable Law.

Section 8.3 Trademarks. Licensee hereby grants Programmer an unlimited, royalty-free license to use, in connection with providing programming on the Covered Station, any and all trademarks, service marks, patents, trade names, jingles, slogans, logotypes and other intangible rights owned and used or held for use by Licensee in conjunction with the call-sign or channel number of the Covered Station. Licensee agrees to execute such additional documentation as may be necessary or desirable to effectuate the license granted under this Section 8.3.

Section 8.4 Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, (ii) sent by facsimile, delivered by personal delivery or sent by a nationally recognized commercial delivery service or certified mail, return receipt requested, (iii) deemed to have been given on the date sent by facsimile if sent on a day that is a business day in the state in which the addressee resides, or the next succeeding business day, with confirmation of successful transmission, the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt and (iv) addressed as follows:

(a) If to Licensee:

South Sound Broadcasting L.L.C.
Attention: Gregory J. Smith
PO Box 53248
Bellevue, WA. 98015-3248
Telephone: 206-790-5405
Facsimile: 425-671-0888

with a copy (which shall not constitute notice) to

William L. Neal
Stokes Lawrence, P.S.
800 Fifth Avenue, Suite 4000
Seattle, WA 98104
Telephone: 206-892-2116
Facsimile: 206-464-1496

(b) If to Programmer:

Fisher Communications, Inc.
100 Fourth Ave. No.
Suite 510
Seattle, WA 98109
Attention: Christopher J. Bellavia, Esq.
Senior Vice President, General Counsel and Corporate Secretary
Telephone: 206-404-4884
Facsimile: 206-404-4885

with a copy (which shall not constitute notice) to

Paul Hastings LLP
875 Fifteenth Street, NW
Washington, DC 20005
Attention: Eric D. Greenberg, Esq.
Telephone: 202-551-1343
Facsimile: 202-5510343

or to any other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 8.4.

Section 8.5 Severability. Except as otherwise provided in Section 5.3, if any covenant or provision hereof is determined to be void or unenforceable in whole or in part, it shall not be deemed to affect or impair the validity of any other covenant or provision, each of which is hereby declared to be separate and distinct. If any provision of this Agreement is so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable. If any provision of this Agreement is declared invalid or unenforceable for any reason other than overbreadth, the offending provision shall be modified so as to maintain the essential benefits of the bargain among the parties hereto to the maximum extent possible, consistent with law and public policy.

Section 8.6 Payment of Expenses. Except as otherwise provided herein, Licensee and Programmer shall pay their own expenses incident to the preparation and performance of this Agreement, including all fees and expenses of their respective counsel.

Section 8.7 Relationship and Dealings with Third Parties. Each of the parties hereto is an independent contractor, and no party is, nor shall be considered to be, the agent of another party for any purpose whatsoever. No party has any authorization to enter into any contracts nor assume any obligations for another party nor make any warranties or representations on behalf of another party, other than as expressly authorized herein. Nothing in this Agreement shall be construed as establishing an agency, partnership, fiduciary relationship or joint venture relationship between the parties hereto. No party is nor shall hold itself out to be vested with any power or right to bind contractually or act on behalf of another party as another party's

contracting broker, agent or otherwise for committing, selling, conveying or transferring any of another party's assets or property, contracting for or in the name of another party or making any representations contractually binding another party.

Section 8.8 Assignment. No party hereto may assign this Agreement without the prior written consent of the other parties, not to be unreasonably withheld or delayed, *provided* that (a) without consent, but with notice to Licensee, Programmer may assign this Agreement to any of its affiliates, and (b) in no event may Licensee assign this Agreement to a party that is not the holder of the Licenses. No assignment shall relieve any party of its obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, and permitted assigns.

Section 8.9 Further Assurances. Subject to the terms and conditions of this Agreement, from time to time each party hereto shall use commercially reasonable efforts to take, or cause to be taken, all such actions and to do or cause to be done, all things necessary, proper or advisable under the FCC Rules or other Applicable Laws to consummate and make effective the transactions contemplated by this Agreement, including executing and delivering such documents as the other party may reasonably request in connection with the performance of this Agreement and the consummation of the other transactions contemplated hereby.

Section 8.10 Governing Law; Disputes. This Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of Washington without regard to its conflict of law rules, subject to the applicable provisions of the Communications Act and FCC Rules. In the event any dispute arising out of or related to this Agreement results in litigation, the parties agree that the same shall be heard in a state or federal court having subject matter jurisdiction seated in King County, Washington, and the parties submit to the personal jurisdiction of such court and agree that venue shall properly lie there.

Section 8.11 Waiver of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 9.11.

Section 8.12 Matters Relating to Interpretation and Organization. A reference in the singular shall be deemed to include the plural and the plural shall be deemed to include the singular. A reference to one gender shall include any other gender. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." All references to "party" and "parties" shall be deemed references to parties to this Agreement unless the context shall otherwise require. The parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement. Except as specifically otherwise provided in this Agreement, a reference to a Section, the Schedules or any Exhibit is a reference to a Section

of this Agreement or the Schedules or Exhibits hereto, and the terms "hereof," "herein," and other like terms refer to this Agreement as a whole, including the schedules and exhibits to this Agreement. The terms "or" is used in its inclusive sense ("and/or"). All references to "Dollars" and "\$" refer to the currency of the United States. The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

Section 8.13 Amendments. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered by the parties hereto in accordance with the terms of this Agreement.

Section 8.14 Counterparts. This Agreement (and each amendment, modification and waiver in respect of it) may be executed in any number of counterparts, and each such counterpart shall be deemed to be an original instrument, but all such counterparts together shall constitute but one instrument. Delivery of an executed counterpart of a signature page of this Agreement (and each amendment, modification and waiver in respect of it) by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of each such instrument.

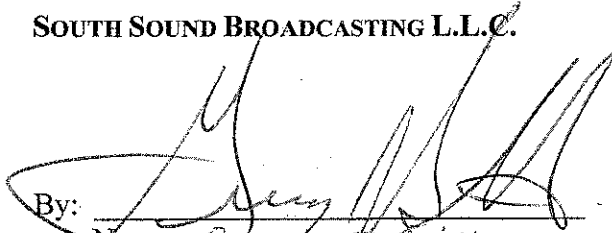
Section 8.15 Amendment & Restatement; Entire Agreement. This Agreement shall be deemed to amend and restate, and supersede in its entirety the 2009 LMA effective as of the date hereof. This Agreement, together with the schedules and exhibits expressly contemplated hereby and attached hereto and the other agreements, certificates and documents delivered in connection herewith or otherwise in connection with the transactions contemplated hereby and thereby, including the Option Agreement, contains the entire agreement between the parties hereto with respect to the transactions contemplated by this Agreement and supersedes all prior agreements or understandings, whether written or oral, between the parties with respect to the subject matter hereof.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized representatives of Programmer and Licensee as of the date first written above.

SOUTH SOUND BROADCASTING L.L.C.

**FISHER BROADCASTING-SEATTLE RADIO
LLC**

By: 
Name: Gregory B. Smith
Title: MANAGER

By: _____
Name: _____
Title: _____

[Signature Page To Local Marketing Agreement]

IN WITNESS WHEREOF, this Agreement has been executed by the duly authorized representatives of Programmer and Licensee as of the date first written above.

SOUTH SOUND BROADCASTING L.L.C.

FISHER BROADCASTING-SEATTLE RADIO
LLC

By: _____

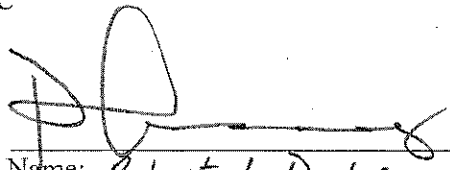
Name:

Title:

By: _____

Name:

Title:


Robert I. Dunlop
Executive Vice President

[Signature Page To Local Marketing Agreement]

Schedule 4.1**LMA Fee**

Pursuant to the terms and subject to the conditions of this Agreement, including Section 4.1 hereof:

A. Programmer shall pay to Licensee a fee in an amount equal to REDACTED REDACTED per year, subject to adjustment as provided below (the "*LMA Fee*"). The LMA Fee shall be payable in advance in twelve (12) equal installments, beginning on June 16, 2012, and continuing on the 16th day of each succeeding calendar month. With respect to the first two 12-month periods beginning, respectively, on the Commencement Date and June 16, 2013, the monthly installment of the LMA Fee initially will be REDACTED REDACTED

B. For the twelve (12)-month period beginning June 16, 2014, and for each succeeding twelve (12)-month period, the LMA Fee shall be adjusted for any increase in the Consumer Price Index, All Urban Consumers, U.S. City Average (All Items), base year 1982-1984, published by the Bureau of Labor Statistics of the United States Department of Labor (the "Index"). Prior to the beginning of each adjustment period, Licensee shall compute the adjusted LMA Fee by multiplying the LMA Fee for the period then ending times a fraction, the numerator of which is the Index for the month of April in the period then ending and the denominator of which is the Index for the month of April in the immediately preceding period; provided, however, that the LMA Fee shall not be less than that for the period then ending, nor shall it be more than four percent (4%) greater than that LMA Fee. Licensee shall give Programmer notice of the new adjusted LMA Fee and the corresponding monthly payment amount. Should the computation or the notice be delayed, Programmer shall continue to pay the LMA Fee applicable for the period just ended, but when the adjusted LMA Fee has been calculated and Programmer has been notified, Programmer shall pay with the next monthly installment the difference between the total monthly installments of the LMA Fee actually paid for the new period and the total of such installments as adjusted that should have then been paid. Interest shall not accrue on an underpayment until the payment due date. Should the Index (or any replacement Index selected by Licensee as provided herein) be discontinued, Licensee shall select a similar index to replace it, which shall become the Index for purposes of this Agreement.

C. Programmer shall not be in breach of this agreement if any LMA Fee due and owing hereunder is paid by the tenth (10th) day after the due date, *provided*, that if such LMA Fee is not paid prior to such tenth (10th) day it shall bear interest at a rate of eight percent (8%) per annum from the due date.

Schedule 4.2

Reimbursable Expenses

The following Operating Expenses of the Company, to the extent incurred in the ordinary course of business consistent with past practice, shall be reimbursed by Programmer in accordance with Section 4.2:

1. Salaries, commissions, payroll taxes, insurance, employee benefits, contracting fees and other related costs (including overtime pay as reasonably necessary) of Licensee's employees employed, or independent contractors engaged by Licensee, in connection with the business and operation of the Covered Station, including engineering and technical personnel necessary to ensure compliance with the FCC Rules and the maintenance and repair of the Covered Station's transmitting and relay facilities (collectively, "**Personnel Expenses**"); *provided, however*, that in no event shall the Personnel Expenses exceed an aggregate amount equal in all material respects to the amounts paid or provided by Programmer to its similarly situated employees performing reasonably similar duties.
2. Amounts owing by Licensee pursuant to the following real property leases or rental contracts, as the same are in effect as of the date hereof:

Amended and Restated Option and Lease Agreement, dated as of October 4, 2004, with Green Diamond Resource Company, as landlord (South Mountain)

Sublicense Agreement, dated as of September __, 2005, with Bustos Media of Seattle, LLC, as sublicensee (South Mountain)

Communications Site Agreement, dated as of January 1, 2002, as amended by Supplemental Agreement #2, dated as of December 17, 2004 (superseding Supplemental Agreement #1, dated as of February 5, 2003), with Weyerhaeuser Company as landlord (Capital Peak)

Tower Sublease Agreement, dated as of July 15, 1996, with Olympic Cellular Telephone Company, Inc. (AT&T) as landlord

3. [Reserved.]
4. Utility bills for utility services at the Covered Station's tower or transmission sites.
5. Telephone system maintenance costs and local exchange and long distance telephone costs for telephone systems and usage at the tower or transmitter sites.
6. Any and all regulatory fees that may be required to be paid for the Covered Station by Licensee under the FCC Rules.

7. (A) Reasonable maintenance and repair costs consistent with good engineering practices and Licensee's past practices and (B) reasonable maintenance and repair costs consistent with good engineering practices that are not consistent with Licensee's past practices or are otherwise not customary, *provided* that Licensee has provided prior notice to Programmer of any such maintenance or repairs and, *provided further*, that, in the case of each of clause (A) and (B), any such costs in excess of \$10,000 individually or \$25,000 in the aggregate, shall be subject to the prior written approval of Programmer.

Schedule 6.1**Licenses****KOMO-FM Radio**

Purpose	Classification	Facility ID	Power	Location	Status
Main	FM	51167	63kw	South Mountain	Licensed
Aux	FS	51167	16.5kw	South Mountain	Licensed
Aux	FC	51167	.5kw	Capitol Peak	Licensed

Licensee has an application before the FCC to change the city of license from Oakville, WA. to Belfair, WA. Programmer is aware of this application and approves of this application. There is no change in technical parameters with this application.

Translator

K249DD	Redmond, WA	Facility ID 149955
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Booster

KOMO-1	Tukwila, WA	Facility ID 190282
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STL Links

WPYK599	950.500	Capitol Peak to South Mountain
WPYK598	950.750	Olympia Studio to Tumwater
WPYK602	944.250	Tumwater to South Mountain
WPYI744	946.500	Olympia Studio to Capitol Peak

MASTER SERVICES AGREEMENT

THIS MASTER SERVICES AGREEMENT (this "Agreement") is made as of October 31, 2014, effective November 1, 2014 (the "Effective Date"), by and between Sinclair Television Group, Inc. ("Programmer") and New Age Media of Pennsylvania, LLC ("Company") and New Age Media of Pennsylvania License, LLC ("Licensee," and together with the Company, collectively, "Operating Company").

RECITALS

Licensee is the licensee of, and Operating Company operates, the television broadcast stations WOLF-TV and WQMY-TV and related low power television stations in the Wilkes-Barre/Scranton, Pennsylvania designated market area (collectively, the "Station").

Operating Company and Programmer are parties to an asset purchase agreement dated September 25, 2013, as amended (the "Purchase Agreement"), pursuant to which Operating Company has agreed to sell and Programmer has agreed to purchase certain assets of the Station on the terms and conditions set forth therein, but not the FCC license (and the digital antenna and transmitter and certain related assets) relating to the Station. Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Purchase Agreement.

Programmer desires to acquire time on the Station for its programming and advertising, subject to the limitations set forth herein and in accordance with the rules, regulations and policies of the Federal Communications Commission (the "FCC").

Therefore, for and in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. SALE OF TIME

1.1 Broadcast of Programming. During the Term (as defined below), Operating Company shall make available broadcast time on the Station for the broadcast of Programmer's programs (the "Programming") for up to twenty four (24) hours per day, seven days per week, except for: (a) downtime occasioned by routine maintenance consistent with prior practice; (b) the times set forth on Schedule 1.1 hereto and at other times mutually agreeable to Operating Company and Programmer during which time Operating Company may broadcast programming designed to address the concerns, needs and interests of the Station's viewers, children's educational/informational programming, or locally produced programming; (c) times when Programmer's programs are not accepted or are preempted by Operating Company in accordance with this Agreement; and (d) times when the Station is not broadcasting because of Force Majeure Events (as defined below). During the Term, Programmer shall purchase such airtime on the Station for the price and on the terms set forth in this Agreement and shall transmit the Programming to the Station's facilities at Programmer's expense in a manner that ensures that the Programming meets technical and quality standards at least equal to those of the Station's broadcasts prior to the Effective Date. Notwithstanding anything herein to the contrary, during

the Term, the Station shall continue to broadcast any programming required to be aired under the terms of the Station's programming contracts.

1.2 Advertising and Programming Revenues. The Operating Company shall retain all of the Accounts Receivable (as defined in and pursuant to the Purchase Agreement) existing on or prior to the Effective Date. During the broadcast time on the Station made available to Programmer pursuant to the terms of this Agreement, Programmer shall have full authority to sell for its own account commercial time on the Station. Programmer shall retain all revenues from the Programming and from the broadcast or sale of all advertising or other time on the Station to the extent arising on or after the Effective Date. All contracts for advertising or programming on the Station which may be entered into by Programmer, other than such contracts which have been entered into in the ordinary course of business, shall either (i) allow for the termination of such contract upon the termination of this Agreement (other than a termination at FCC Closing under the Purchase Agreement) or (ii) require the prior consent of the Operating Company.

1.3 Force Majeure. Any failure or impairment of facilities, any delay or interruption in broadcasting the Programming, or any failure at any time to furnish the facilities, in whole or in part, for broadcasting, due to (i) acts of God, strikes or threats thereof, war, acts of terrorism, civil disturbance, force majeure, or any other causes beyond the reasonable control of Operating Company or Programmer; or (ii) any loss of use or failure of the Main Studio or any Studio Equipment or Transmission Equipment (as each such term is defined below), caused by ordinary wear and tear (collectively, "Force Majeure Events"), shall not constitute a breach of this Agreement, and neither Operating Company nor Programmer, as the case may be, will be liable to the other party therefor; *provided, however*, that failure to make any payment due under this Agreement shall not be excused for a Force Majeure Event.

1.4 Main Studio, Studio Equipment, Transmission Equipment. Programmer may originate the Programming from the Station's office and studio facilities for the Station (the "Main Studio"), purchased by Programmer pursuant to the Purchase Agreement, using the Equipment located in the Main Studio (the "Studio Equipment"), also purchased by Programmer pursuant to the Purchase Agreement. To enable Programmer to fulfill its obligations hereunder, during the Term, Operating Company shall make the digital antenna and transmitter of the Station (the "Transmission Equipment") available, for no additional consideration, to Programmer solely for its use to fulfill its obligations hereunder. Programmer shall make available a portion of the Main Studio and Studio Equipment to Operating Company to fulfill its obligations under the Communications Laws for the consideration set forth in Schedule 1.4 hereof. Operating Company shall not provide access for any persons other than its employees, advisors, consultants or representatives to enter the Main Studio without the express prior permission of Programmer. Operating Company agrees to take good care of the Main Studio and the Studio Equipment, subject to ordinary wear and tear, and to comply with any rules and regulations enacted by any landlord for the buildings housing the Main Studio. When on Programmer's premises, Operating Company's personnel shall be subject to the direction and control of Programmer's management personnel (except as may be required to allow Operating Company's personnel to fulfill Operating Company's obligations under Communications Laws), and Operating Company shall not cause its personnel to (i) act contrary to the terms of any lease for the premises, (ii) cause any lien, claim or encumbrance on the premises or (iii) interfere with

the business and operation of Programmer or its use of such premises. This Section is subject and subordinate to Programmer's lease for such Main Studio and does not constitute a grant of any real property interest. Subject to and in accordance with the provisions set forth in **Section 7** below, Operating Company agrees to indemnify and hold harmless Programmer and its Affiliates from any and all third party claims for damages for injuries to or death of persons and for damages to property arising out of Operating Company's use and/or occupancy of the Main Studio or the Studio Equipment in violation of this Agreement. Subject to and in accordance with the provisions set forth in **Section 7** below, Programmer agrees to indemnify and hold harmless Operating Company and its Affiliates from any and all third party claims for damages for injuries to or death of persons and for damages to property arising out of Programmer's use of the Main Studio, the Studio Equipment, or Operating Company's Transmission Equipment.

1.5 Payments. In consideration of the rights granted under this Agreement, Programmer shall pay the Operating Company the fees and reimburse certain of Operating Company's costs and provide Operating Company with the information and other rights as provided in Schedule 1.5 hereto.

1.6 Term. The term of this Agreement (the "Term") shall commence on the Effective Date at 12:01 a.m., local Station time (the "MSA Effective Time"), and shall terminate on the eighth anniversary of the Effective Date; provided, the termination date shall be extended for five additional eight year terms, unless the Programmer gives Operating Company nine (9) months prior written notice prior to the end of the applicable term and unless this Agreement is terminated in accordance with its terms pursuant to **Section 8**.

1.7 License to Use Call Sign and Trademarks. Operating Company hereby grants Programmer a license to use the Station's call letters, trademarks and names included in the FCC Assets (the "Marks") in connection with the broadcast and promotion of the Programming during the Term. Programmer agrees that the nature and quality of all services rendered by it in connection with the Marks shall conform to reasonable quality standards set by and under the control of Operating Company. If Operating Company becomes aware of any fact which in its opinion indicates that Programmer is using the Marks in connection with programming that does not conform with Operating Company's reasonable quality standards, Operating Company may notify Programmer in writing of such facts and request that Programmer conform its use of the Marks to Operating Company's reasonable quality standards. If Programmer does not promptly conform its use of the Marks, Operating Company may terminate the license granted hereby upon written notice to Programmer. Programmer agrees to cooperate with Operating Company, to supply Operating Company with video tapes and uses of the Marks upon Operating Company's reasonable request, and to use the Marks only in connection with its providing programming on the Station hereunder consistent with past practice. Programmer further agrees to notify Operating Company in writing of any legal action commenced against Programmer which relates to the Marks or to the quality of the Programming within 10 days of notice to Programmer of such action.

2. OBLIGATIONS AND RIGHTS OF THE OPERATING COMPANY

Programmer acknowledges and agrees that Operating Company is and shall remain responsible for operating the Station in the public interest and controlling the day-to-day

operations of the Station in conformance with its FCC licenses, permits and authorizations, and nothing in this Agreement shall be construed to prevent or hinder the Operating Company from retaining and exercising full and complete control over the Station, including, but not limited to, control of the Station's finances, personnel, and programming. Without limiting the generality of the foregoing, Operating Company and Programmer agree as follows:

2.1 Operating Company's Absolute Right to Reject Programming. Operating Company shall have the absolute right to suspend, cancel or reject any Programming, including advertising announcements or other material, which Operating Company in its sole discretion deems contrary to the public interest, the Communications Act of 1934, as amended (the "Communications Act"), or the FCC's rules, regulations and policies (the "Rules," and together with the Communications Act, the "Communications Laws"). Without limiting the foregoing, Operating Company reserves the right to refuse to broadcast any Programming containing any matter Operating Company in its sole discretion believes is, or may be determined by the FCC or any court or other regulatory body with authority over Operating Company or the Station to be, violative of any third party intellectual property rights, defamatory, indecent, obscene, profane or otherwise in violation of law. Operating Company may take any other actions necessary to ensure the Station's operations comply with the laws of the United States, the Communications Laws (including the prohibition on unauthorized transfers of control), the rules, regulations and policies of other federal government authorities, including the Federal Trade Commission and the Department of Justice, and all other Federal, state and local laws, rules and regulations. Operating Company may suspend, cancel or refuse to broadcast any portion of the Programming pursuant to this **Section 2.1** without reduction or offset in the payments due Operating Company under this Agreement.

2.2 Operating Company's Right to Preempt Programming for Special Events and Public Interest Programming. Operating Company shall have the absolute right to preempt Programming in order to broadcast a program deemed by Operating Company, in its sole discretion, to be of greater national, regional or local public interest or significance, or to provide public service programming, and to use part or all of the hours of operation of the Station for the broadcast of events of special importance. In all such cases, Operating Company will use commercially reasonable efforts to give Programmer reasonable advance notice of its intention to preempt the Programming.

2.3 Operating Company's Public Service Programming. Operating Company shall have the right to preempt Programming in order to broadcast public service programming at the times set forth in Schedule 1.1 hereof.

2.4 Compliance with Communications Laws. The parties acknowledge that Operating Company is ultimately responsible for complying with the Communications Laws, including with respect to (a) the carriage of political advertisements and programming (including, without limitation, the rights of candidates and, as appropriate, others to "equal opportunities," lowest unit charge and reasonable access); (b) the broadcast and nature of public service programming and children's educational/informational programming; (c) the maintenance of political and public inspection files and the Station's logs; (d) the ascertainment of issues of community concern, (e) the preparation of all quarterly issues/programs lists; (f) the

preparation of all quarterly Children's Television Programming Reports (Form 398); (g) and the broadcast of locally produced programming.

2.5 Maintenance and Repair of Transmission Facilities. Subject to Schedule 1.5 and Section 4.2 of this Agreement, Operating Company shall use commercially reasonable efforts to maintain the Station's transmission equipment and facilities in normal operating condition.

2.6 Main Studio. Operating Company shall maintain a main studio for the Station as required under the Communications Laws.

3. OBLIGATIONS AND RIGHTS OF PROGRAMMER

Programmer shall not take any action, or omit to take any action, inconsistent with Operating Company's obligations under the Communications Laws to retain ultimate responsibility for the programming and technical operations of the Station. Whenever at the Main Studio or otherwise on the Station's premises, all of Programmer's personnel shall be subject to the supervision and the direction of the General Manager(s) (as defined below) and/or the Station's Chief Operator(s) (as that term is defined in the Communications Laws). Without limiting the generality of the foregoing, Programmer agrees as follows:

3.1 Compliance with Laws and Station Policies. Programmer will not make any changes in any Station's format or call signs during the Term. Programmer has advised Operating Company of the nature of the Programming and shall ensure that all Programming conforms to all applicable provisions of the Communications Laws, all other laws or regulations applicable to the broadcast of programming by the Station, and the programming regulations prescribed in Schedule 3.1 hereto. At no time during the Term shall Programmer or its employees or agents represent, hold out, describe or portray Programmer as the licensee or owner of the Station.

3.2 Cooperation with Operating Company.

(a) Programmer, on behalf of Operating Company, shall furnish or insert within the Programming all Station identification announcements, the children's educational/informational programming, programming designed to address the concerns, needs and interests of the Station's viewers, and, the locally produced programming, required by the Communications Laws. Upon request by Operating Company, Programmer shall provide (a) information about Programming that is responsive to the public needs and interests of the area served by the Station, so as to assist Operating Company in the preparation of any required programming reports, (b) information about the children's educational/informational programming and the amount of commercial matter in the children's educational/informational programming, and (c) other reasonably requested information to enable Operating Company to prepare other records, reports and logs required by the FCC or other local, state or federal governmental agencies, and all other requested information (to the extent Programmer has or can readily obtain such information) reasonably necessary for Operating Company to fulfill its responsibilities hereunder and under applicable FCC requirements. Programmer shall maintain and promptly deliver to Operating Company all records and information required by the FCC to

be placed in the public inspection files of the Station, including all records and information pertaining to the broadcast of political programming and advertisements, in accordance with the provisions of Sections 73.1943 and 73.3526 of the Rules and The Bipartisan Campaign Reform Act of 2002. Programmer additionally agrees that the Programming shall include closed captioning to the extent required by Part 79 of the Rules and that broadcasts of sponsored programming addressing political issues or controversial subjects of public importance will comply with the provisions of Section 73.1212 of the Rules. Programmer shall consult with Operating Company and adhere strictly to all applicable provisions of the Communications Laws, including with respect to the carriage of political advertisements and political programming (including, without limitation, the rights of candidates and, as appropriate, other parties, to "equal opportunities," lowest unit charge and reasonable access) and the charges permitted for such programming or announcements. Programmer shall cooperate with Operating Company to ensure compliance with the Rules regarding Emergency Alert System tests and alerts.

3.3 Payola and Plugola. Programmer shall provide to Operating Company in advance any information known to Programmer regarding any money or other consideration which has been paid or accepted, or has been promised to be paid or to be accepted, for the inclusion of any matter as a part of any programming or commercial material to be supplied to Operating Company by Programmer for broadcast on the Station, unless the party making or accepting such payment is identified in the program as having paid for or furnished such consideration in accordance with the Communications Laws. Commercial matter with obvious sponsorship identification will not require disclosure beyond the sponsorship identification contained in the commercial copy. Programmer shall at all times endeavor to proceed in good faith to comply with the requirements of Sections 317 and 507 of the Communications Act and the related Rules.

3.4 Handling of Communications. Programmer shall promptly provide Operating Company with the original or a complete copy of any correspondence from a member of the public relating to the Programming to enable Operating Company to comply with the requirements of the Communications Laws, including those regarding the maintenance of the public inspection file. Operating Company shall not be required to receive or handle mail, facsimiles, e-mails or telephone calls in connection with the Programming unless Operating Company has agreed to do so in writing. Operating Company shall promptly forward to Programmer all correspondence, payments, communications or other information and/or documents which it receives and which relate to the Programming, including without limitation, invoices, billing inquiries, checks, money orders, wire transfers or other payments for services or advertising.

3.5 Compliance with Copyright Act. Programmer shall not broadcast any material on the Station in violation of the Copyright Act or the rights of any Person. All music supplied by Programmer shall be (a) licensed by a music licensing agent such as ASCAP, BMI, or SESAC, (b) in the public domain or (c) cleared at the source by Programmer. Operating Company shall not be obligated to pay any music or other licensing fees or other similar expenses required in connection with the material broadcast by Programmer on the Station.

3.6 Prohibited Actions. Until the expiration of the Term (or earlier termination), Programmer shall not, without the prior written consent of Operating Company, such consent not to be unreasonably delayed or withheld, take any of the actions set forth on Schedule 3.6 hereto.

4. RESPONSIBILITY FOR EMPLOYEES AND EXPENSES

4.1 The Operating Company's Responsibility for Employees and Expenses.

(a) During the Term, the Operating Company directly, or indirectly through an affiliated entity, will employ or provide a full-time management-level employee for the Station (the "General Manager"), who shall report and be solely accountable to the Operating Company and shall be responsible for overseeing the operations of the applicable Station, and one staff-level employee for the Station, who shall report to and assist the applicable General Manager in the performance of his or her duties. As of the Effective Date, the Operating Company's General Managers and staff-level employees for the Station shall be those employees identified on Schedule 4.1 hereto.

(b) Subject to Schedule 1.5 hereto, the Operating Company shall be responsible for timely paying: (i) the salaries, taxes, insurance and related costs for the Operating Company's personnel for the Station in accordance with **Section 4.1(a)** and (ii) all FCC regulatory or filing fees.

4.2 Programmer's Responsibility for Employees and Expenses.

(a) Programmer shall provide any transmitter duty operators required for the operation of the Station during any period when the Programming is being broadcast. Programmer shall employ and be responsible for the salaries, taxes, insurance and related costs for all of its personnel and facilities used in fulfillment of its rights and obligations under this Agreement.

(b) Programmer shall be responsible for timely paying all costs, including fees to ASCAP, BMI and SESAC, attributable to the Programming. The parties acknowledge and agree that Programmer shall obtain its own ASCAP, BMI and SESAC licenses as of the Effective Date.

(c) Programmer shall be responsible for timely paying all costs associated with the Station not payable by Operating Company under **Section 4.1(b)** hereof. Without limiting the generality of the foregoing, Programmer shall also timely pay (i) all maintenance and repair costs for the Main Studio and Studio Equipment, (ii) all lease payments under the Real Property Leases, including all lease payments for the Station's studio and transmitter sites, and all taxes and other costs incident thereto, including insurance costs, (iii) all utility costs (telephone, electricity, etc.) relating to the studio and transmitter sites, (iv) all maintenance and repair costs for the transmitting equipment, (v) all costs, including utilities, taxes, insurance and maintenance, relating to the ownership of the Owned Real Property.

(d) Programmer shall maintain at its expense and with reputable insurance companies commercially reasonable coverage for broadcaster's liability insurance, worker's

compensation insurance and commercial general liability insurance, consistent with industry practice and shall cause Operating Company to be covered as a named insured thereunder.

5. CONTRACTS

To the extent reasonably necessary to perform this Agreement, during the Term, Operating Company shall provide Programmer with the benefits of any contracts relating to the Station, if any, that were not Assumed Contracts under the Purchase Agreement, and Programmer shall perform the obligations of the Operating Company thereunder. Notwithstanding anything herein to the contrary, the Station shall continue to broadcast any programming required to be aired under the terms of the Assumed Contracts (as defined in the Purchase Agreement). Programmer shall have the right to enter into any contracts Programmer reasonably determines are necessary for the operation of the Station, including contracts for advertising on the Station and retransmission consent agreements with MVPDs and Operating Company shall take the other actions set forth in Schedule 5 hereto.

6. PRORATIONS; ACCOUNTS RECEIVABLE

6.1 Proration of Income and Expenses. The parties acknowledge and agree that the Purchase Agreement includes provisions with respect to the proration of income and expenses attributable to the period prior to the Effective Date.

6.2 Accounts Receivable. The parties acknowledge and agree that the Purchase Agreement includes provisions with respect to collection by Programmer of Accounts Receivable attributable to the period prior to the Effective Date.

7. INDEMNIFICATION

7.1 **Indemnification.**

(a) From and after the Effective Date, Programmer shall indemnify, defend, protect and hold harmless Operating Company, its Affiliates, and their respective employees, officers, directors, shareholders and agents, and the successors and assigns of any of them, from and against, and reimburse them for, all claims, damages, liabilities, costs and expenses, including reasonable attorneys' fees and expenses arising from (a) the Programming; (b) any claim for indecency, libel, slander, infringement of copyright or other intellectual property right, or violation of any right of privacy or proprietary right or violation of FCC rules or other applicable law, as a result of the broadcast on the Station of the Programming; (c) Programmer's direct or indirect use of the Main Studio, the Studio Equipment, the Transmission Equipment or Operating Company's Marks; (d) any breach by Programmer of any representation, warranty, covenant or other agreement hereunder; (e) any action taken by Programmer, its employees or agents or any person under Programmer's direction or control with respect to the Station, or any failure by Programmer, its employees or agents, or any person under Programmer's direction or control to take any action with respect to the Station, including but not limited to Programmer's payment and performance of its obligations and liabilities unless such failure by Programmer resulted from a failure by the Operating Company to perform hereunder; (f) any other claims of any nature, including any investigation initiated or fines or forfeitures imposed by the FCC, as a result of the broadcast on the Station of the programming provided by such party; or (g) any

claims of any nature arising due to Programmer's performance, or lack of performance, under any contracts referred to in **Section 5** above relating to the Station.

(b) From and after the Effective Date, Operating Company shall indemnify, defend, protect and hold harmless Programmer, its Affiliates, and their respective employees, officers, directors, shareholders and agents, and the successors and assigns of any of them, from and against, and reimburse them for, all claims, damages, liabilities, costs and expenses, including reasonable attorneys' fees and expenses arising from (a) any programming provided by Operating Company for broadcast on the Station during the Term; (b) any claim for indecency, libel, slander, infringement of copyright or other intellectual property right, or violation of any right of privacy or proprietary right or violation of FCC rules or other applicable law, as a result of the broadcast on the Station of any programming provided by Operating Company during the Term; (c) any breach by Operating Company of any representation or warranty hereunder, or any intentional breach of any covenant or other agreement hereunder; (d) Operating Company's use of the Main Studio and Studio Equipment; and (d) any action taken by such party or its employees or agents with respect to the Station, or any failure by such party or its employees or agents to take any action with respect to the Station, including but not limited to such party's payment and performance of obligations and liabilities, unless resulting from a failure by the other party to perform hereunder or resulting from the actions or omissions of its employees under the direction and control of Programmer.

7.2 Procedure for Indemnification. If the indemnified party shall notify the indemnifying party of any claim or demand pursuant to **Section 7.1**, and if such claim or demand relates to a claim or demand asserted by a third party against the indemnified party, the indemnifying party shall have the right to employ counsel reasonably acceptable to the indemnified party to defend any such claim or demand asserted against the indemnified party for so long as the indemnifying party shall continue in good faith to diligently defend against such action or claim. The indemnified party shall have the right to participate in the defense of any such claim or demand at its own expense. The indemnifying party shall notify the indemnified party in writing, as promptly as possible (but in any case five business days before the due date for the answer or response to a claim) after the date of the notice of claim given by the indemnified party to the indemnifying party of its election to defend in good faith any such third party claim or demand. So long as the indemnifying party is defending in good faith any such claim or demand asserted by a third party against the indemnified party, the indemnified party shall not settle or compromise such claim or demand without the consent of the indemnifying party, which consent shall not be unreasonably withheld, and the indemnified party shall make available to the indemnifying party or its agents all records and other material in the indemnified party's possession reasonably required by it for its use in contesting any third party claim or demand. Whether or not the indemnifying party elects to defend any such claim or demand, the indemnified party shall have no obligations to do so. In the event (x) the indemnifying party elects not to defend such claim or action, or (y) if the indemnifying party elects to defend such claim or action but fails to diligently defend such claim or action in good faith, the indemnified party shall have the right to conduct the defense thereof and to settle or compromise such claim or action without the consent of the indemnifying party, except that with respect to the settlement or compromise of such a claim, demand or action, the indemnified party shall not settle or compromise any such claim or demand or action without the consent of the indemnifying party (such consent not to be unreasonably withheld), unless the indemnifying party is given a full and

completed release of any and all liability by all relevant parties relating thereto and has no obligation to pay any damages, except for the obligation to indemnify provided hereunder.

7.3 Limitations on Liability. Notwithstanding any other provision of this Agreement, except as a result of fraud, (i) the indemnification provisions of this Section 7 shall be the sole and exclusive monetary remedy of Programmer (other than with respect to Programmer's rights to the lease payments set forth in Schedule 1.4 hereto) and Operating Company for breach or non-performance of any representations, warranties, obligations, covenants and agreements of Programmer and Operating Company contained in this Agreement (and this provision shall not adversely affect any party's right to specific performance or injunctive relief), and (ii) neither party shall have any liability to the other party under any circumstances for special, indirect, consequential, punitive or exemplary damages, or lost profits, diminution in value or any damages based on any type of multiple of any indemnified party. The provisions of **Sections 7.1, 7.2 and 7.3** shall survive any termination of this Agreement.

8. TERMINATION FOR ANY REASON OTHER THAN THE CLOSING

8.1 Termination. This Agreement may be terminated prior to the expiration of the Term as follows:

(a) By either Operating Company or Programmer, by written notice to the other party, if, subject to **Section 10.4**, this Agreement shall have been declared invalid or illegal in whole or in material part by an order or a decree of the FCC or any other administrative agency or court of competent jurisdiction, and such order or decree shall have become final and shall no longer be subject to further administrative or judicial review;

(b) Automatically upon acquisition of the FCC Assets by Programmer pursuant to Programmer's exercise of its rights under the Option Agreement between Operating Company and Programmer of even date herewith (the "Option Agreement");

(c) By the mutual consent of Operating Company and Programmer;

(d) By either Operating Company or Programmer, by written notice to the other party, if the Purchase Agreement is terminated pursuant to the terms thereof;

(e) By Operating Company, by written notice to Programmer if Programmer fails to timely make any payment required under this Agreement;

(f) By Operating Company, by written notice to Programmer if Programmer fails to observe or perform any other obligation contained in this Agreement in any material respect or breaches any representation, warranty or covenant made by it under this Agreement in any material respect; or

(g) By Programmer, by written notice to Operating Company if Operating Company fails to observe or perform any obligation contained in this Agreement in any material respect or breaches any representation, warranty or covenant made by it under this Agreement in any material respect.

Notwithstanding the foregoing, any breach or default under **Section 8.1(e), (f) or (g)** will not be deemed to have occurred until 15 calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the event of default and such event of default remains uncured. Upon the occurrence of an event of default, and in the absence of a timely cure pursuant to this **Section 8.1**, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party. Failure of Operating Company to broadcast the Programming due to facility maintenance, repair or modification or due to any reason out of Operating Company's reasonable control shall not constitute a breach or an event of default by Operating Company hereunder.

8.2 Effect of Termination. If this Agreement expires or is terminated for any reason, other than the acquisition of the FCC Assets by Programmer pursuant to the exercise of the Option Agreement, Operating Company may surrender its FCC License to the FCC, or in Operating Company's discretion, seek to restore the status quo with respect to the operation of the Station as of the time immediately following the Closing under the Purchase Agreement but as if this Agreement had not been entered into. If Operating Company shall notify Programmer of its election to seek to restore said status quo, the parties shall cooperate in good faith in attempting to do so. No expiration or termination of this Agreement shall terminate the indemnification obligations of Programmer or Operating Company hereunder or relieve a party of any obligation or liability for breach or default prior to termination.

9. REQUIRED FCC CERTIFICATIONS

9.1 Operating Company's Certification. Operating Company hereby certifies that it shall maintain ultimate control over the Station's facilities, including specifically control over the Station's finances, personnel and programming.

9.2 Programmer's Certification. Programmer hereby certifies that this Agreement complies with the provisions of the FCC's broadcast ownership rules as in effect as of the date of this Agreement.

9.3 Nondiscrimination. In accordance with the Communications Laws, Programmer shall not discriminate in any contract for advertising on the Station on the basis of race or gender, and all such contracts shall be evaluated, negotiated and completed without regard to race or gender. Programmer shall include a clause to such effect in all contracts for advertising on the Station, and if requested shall provide written confirmation of compliance with such requirement.

10. MISCELLANEOUS

10.1 Amendment, Modification or Waiver. No amendment, modification or waiver of any provision of this Agreement shall be effective unless made in writing and signed by the party adversely affected, and any such waiver and consent shall be effective only in the specific instance and for the purpose for which such consent was given.

10.2 No Waiver. No failure or delay on the part of the Operating Company or Programmer in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment

or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

10.3 Governing Law; Waiver of Jury Trial. The construction and performance of this Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware without regard to its principles of conflict of law. The exclusive forum for the resolution of any disputes arising hereunder shall be the Delaware Chancery Court and each party hereto irrevocably submits to the exclusive jurisdiction of such courts in any such action or proceeding and irrevocably waives the defense of an inconvenient forum to the maintenance of any such action or proceeding. Each party agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. The parties hereto hereby acknowledge that they have each been represented by counsel in the negotiation, execution and delivery of this Agreement and that their lawyers have fully explained the meaning of the Agreement, including in particular the jury-trial waiver.

10.4 Change in FCC Rules or Policies; Severability. In the event that the FCC determines that this Agreement does not comply with the Communications Laws, the parties shall negotiate in good faith and attempt to agree to an amendment to this Agreement that will provide the parties with a valid and enforceable agreement that conforms to the Communications Laws and that preserves in all material respects the parties' rights, benefits and obligations under this Agreement. Subject to the foregoing, in the event that any of the provisions of this Agreement shall be held unenforceable, then so long as no party is deprived of the benefits of this Agreement in any material respect, the remaining provisions shall be construed as if such unenforceable provisions were not contained herein (provided, however, that Programmer shall otherwise make Operating Company financially whole for any material loss resulting therefrom). Any provision of this Agreement that is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect that renders any provision hereof unenforceable in any respect.

10.5 Construction. Any question of doubtful interpretation shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the drafter of this Agreement.

10.6 No Partnership or Joint Venture. This Agreement is not intended to be and shall not be construed as a partnership or joint venture agreement between the parties. No party to this Agreement shall be authorized to act as agent of or otherwise represent any other party to this Agreement.

10.7 Entire Agreement. This Agreement and the Purchase Agreement, and the exhibits and schedules hereto and thereto, embody the entire agreement and understanding of the

parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

10.8 Benefit and Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Neither Operating Company nor Programmer may assign its rights under this Agreement without the prior written consent of Programmer or Operating Company, respectively, which consent may not be unreasonably withheld or delayed. No assignment shall relieve a party of any obligation or liability under this Agreement.

10.9 Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

10.10 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly delivered and received (a) on the date of personal delivery, (b) on the date of transmission, if sent by facsimile, or (c) one business day after having been dispatched via a nationally recognized overnight courier service to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this **Section 10.10**).

If to Programmer:

Sinclair Television Group, Inc.
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Attention: President
Facsimile: (410) 568-1533

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

Sinclair Broadcast Group, Inc.
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Attention: General Counsel
Facsimile: (410) 568-1537

If to Operating Company:

c/o New Age Media Management, LLC
46 Public Square
Suite 500
Wilkes-Barre, PA 18701
Attention: John Parente
E-mail: jparente@newagemediatv.com
Facsimile: (570) 824-7897

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

Cozen O'Connor
1900 Market Street
Philadelphia, PA 19103
Attention: John J. Cunningham, III
E-mail: jcunningham@cozen.com
Facsimile: (215) 665-2013

10.11 No Third-Party Beneficiaries. Except as provided in **Section 10.8**, this Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement

10.12 Set Off. Each party shall have the right to set off any amount due to it under this Agreement by the other party that is not paid within fifteen (15) days that such payment is due, and at such time to accelerate and make due immediately all additional amounts due hereunder, against any amounts previously owed, currently owed, or to be owed at any time in the future by such party or any of its affiliates to the other party or any of its affiliates under this Agreement or any other agreement to which Operating Company and Programmer or any of their affiliates are parties.

10.13 Counterparts. This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement. Delivery by facsimile, PDF or other electronic means of a counterpart of a signature page to this Agreement as signed by a party, shall be effective as such party's delivery of its manually executed counterpart of this Agreement.

[SIGNATURE PAGES FOLLOW]

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

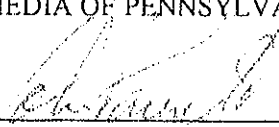
PROGRAMMER

SINCLAIR TELEVISION GROUP, INC.

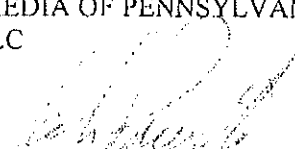
By: _____
Name: _____
Title: _____

OPERATING COMPANY

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By:  _____
John Parente, Chief Executive Officer

**NEW AGE MEDIA OF PENNSYLVANIA
LICENSE, LLC**

By:  _____
John Parente, Chief Executive Officer

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

PROGRAMMER

SINCLAIR TELEVISION GROUP, INC.

By: _____


Name: David B. Amy
Title: Secretary

OPERATING COMPANY

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By: _____

John Parente, Chief Executive Officer

**NEW AGE MEDIA OF PENNSYLVANIA
LICENSE, LLC**

By: _____

John Parente, Chief Executive Officer

SCHEDULE 1.1
PUBLIC INTEREST PROGRAMMING

To the extent Programmer's obligation under **Section 3.2** of the Agreement to furnish or insert within the Programming the children's educational/informational programming, the programming designed to address the concerns, needs and interests of the Station's viewers and the locally produced programming as required by the Communications Laws is not satisfied, Operating Company may reserve up to two hours per week at times mutually agreeable to Operating Company and Programmer for the broadcast of such programming on the Station.

SCHEDULE 1.4
STUDIO AND TRANSMISSION EQUIPMENT LEASE PAYMENTS

During the Term, Operating Company shall pay Programmer a monthly rent for the use of the Studio and Transmission Equipment on first of the month beginning the month following the date of this Agreement. REDACTED During the first one hundred twenty months of the Term, the rent payments under this section shall not be included in the "Station Expenses" as defined in Schedule 1.5 hereto. Notwithstanding the forgoing, the failure by Operating Company to pay the lease payments shall not be a default under this Agreement.

SCHEDULE 1.5
PAYMENT SCHEDULE
REDACTED

The BCF requirements above shall be prorated for shorter periods if the Agreement is terminated during a twelve month period. For purposes of this Schedule, the term "BCF" is defined as the excess of (i) revenue of the Station over (ii) the amount equal to (x) all operating expenses (including programming fees and fees paid to a television network) of the Station (excluding the amount Programmer pays to Operating Company pursuant to this Agreement).

3. In addition, Programmer shall reimburse the Operating Company for all operating and maintenance expenses of the Station in the amounts incurred by the Operating Company or its Affiliates ("Station Expenses"), in each case, accruing from and after the MSA Effective Time (the "Expense Reimbursement"). Any Station Expenses that straddle the Term and any period beginning or ending before or after the Term shall be prorated between the Operating Company and Programmer on the basis of the number of days elapsed. The Station Expenses shall include:

- (a) all costs associated with ownership of any Owned Real Property;
- (b) all lease payments for any Real Property Leases and all other costs incident thereto;
- (c) all utility costs (telephone, electricity, water, etc.) relating to the Station;
- (d) all real estate and personal property taxes, if any, relating to the Station's transmitter sites, transmission equipment, any Owned Real Property and studio Equipment;
- (e) all costs of employment, including salaries, employee benefits, taxes, insurance, travel and other expense reimbursements, and related costs, of the General Manager and staff-level employee of the Operating Company or its Affiliates working at the Station and of one additional employee performing administrative and compliance related services for Operating Company, its affiliated Company Licensees and the Option Party Licensees, for which the additional (third) employee costs shall not be more than REDACT a year (increasing by 2% annually, on each anniversary date hereof), and including fees of the payroll processing firm retained by Operating Company and also including the costs for health care insurance of John Parente and his family (except to the extent such costs are paid by Programmer or an Affiliate of Programmer to an Affiliate of Operating Company);
- (f) all FCC regulatory fees, filing fees and legal fees and expenses with respect to applications or other filings relating to the Station or Operating Company's FCC license, excluding any filing fees or other expenses arising out of the transactions contemplated by the Purchase Agreement;
- (g) all maintenance and repair costs for the Station's transmission equipment and facilities, including the antennas, transmitters and transmission lines;
- (h) all costs for engineering support for the Station;
- (i) all other reasonable, usual and ordinary expenses of operation of the Station and administration of Operating Company's affairs related thereto (including, without limitation, accounting, legal and other professional fees and expenses, insurance premiums and deductibles, postage and other overhead expenses) incurred by the Operating Company or its Affiliates in the ordinary course of the business of operating the Station;
- (j) any capital expenditures related to the assets or business of the Station incurred by the Operating Company or its Affiliates; and
- (k) all fees and costs, including internet access and cellular service, incurred by Operating Company, its employees, owners and affiliates allowing remote access to the Station and continued communication of Operating Company and its employees.

Notwithstanding anything herein to the contrary, Programmer shall, in addition to as required under Section 4.2 of the Agreement, have the right to perform and/or contract for the performance of or pay directly all Station Expenses identified in clauses (a)-(j) above to the extent permitted by applicable Law.

7. Anything to the contrary contained herein or in this Agreement notwithstanding, the Station Expenses shall not include, and Programmer shall not be responsible for or be required to reimburse the Operating Company for any of the following:

- (a) the Operating Company's income and similar taxes based on or measured by the Operating Company's net income;
- (b) interest on and principal of loans and/or indebtedness and other fees, charges, costs and expenses relating to loans and/or indebtedness;
- (c) the Studio and Transmission Equipment Lease Payments as set forth in Schedule 1.4 above, and
- (d) legal, accounting and other professional fees and expenses in connection with or arising out of this Agreement, the negotiation, administration, interpretation or closing of this Agreement, and/or the ownership, operation, management or administration of any business unrelated to the Station and/or the transactions contemplated hereby and thereby.

8. Programmer shall pay the Monthly Payment Obligation within 10 Business Days after the end of each month during the Term. Programmer shall pay the Annual Payment Obligation within 10 Business Days after the end of each twelve month period during the Term. If the Agreement is terminated during a month or twelve month period, then the prorated Monthly Payment Obligation for such month and the Annual Payment Obligation for such period shall be required be paid within 10 Business Days after such termination. Within ten (10) days of the date of this Agreement, Programmer shall pay to the Operating Company an advance against the initial expected monthly Station Expenses. Such advance payment shall be repayable by the Operating Company to Programmer within 15 days after termination of this Agreement. During the Term (and, with respect to the final Expense Reimbursement, within 15 days after termination of this Agreement), the Operating Company shall deliver to Programmer an invoice setting forth in reasonable detail the Station Expenses incurred in the prior month (and in the case of the final Expense Reimbursement, to and including the termination date). Programmer shall pay the Expense Reimbursement due in respect of such invoice within 15 Business Days after its receipt of the invoice.

9. If Programmer fails to timely pay any amount within five days of the due date under this Schedule 1.5, such amount shall bear interest at the prime rate (as reported by *The Wall Street Journal* or, if not reported thereby, by another authoritative source) as in effect from time to time from the due date for such amount until the date of actual payment.

SCHEDULE 3.1
PROGRAM STANDARDS

Programmer agrees to cooperate with Operating Company in the broadcasting of programs in a manner consistent with the standards of Operating Company, including without limitation as set forth below:

Political Programming and Procedures. Throughout any election campaign, Programmer will comply with all applicable laws and rules concerning political candidacy broadcasts and will promptly notify Operating Company's General Manager of any disputes concerning either the treatment of or rate charged a candidate or supporter.

Required Announcements. Programmer shall broadcast, on the Station, an announcement in a form satisfactory to Operating Company at the beginning of each hour to identify the Station, and any other announcement that may be required by the Rules or the Station's policies.

Commercial Recordkeeping. Programmer shall maintain records of the receipt of, and provide disclosure to Operating Company of any consideration, whether in money, goods, services, or otherwise, which is paid or promised to be paid, either directly or indirectly, by any person or company for the presentation of any programming over the Station as are required by Sections 317 and 507 of the Communications Act and by the Rules.

No Illegal Announcements. No announcements or promotion prohibited by federal or state law or regulation of any lottery, game or contest shall be made over the Station.

Indecency, Hoaxes. No programming violative of applicable laws and rules concerning indecency or hoaxes will be broadcast over the Station.

Controversial Issues. Any broadcast over the Station concerning controversial issues of public importance shall comply with the Rules.

Credit Terms Advertising. Pursuant to the rules and regulations of the Federal Trade Commission, any advertising of credit terms shall be made over the Station in accordance with all applicable federal and state laws.

SCHEDULE 3.6
PROHIBITED ACTIONS

SCHEDULE 4.1
GENERAL MANAGERS & STAFF LEVEL EMPLOYEES

To be determined by Programmer and Operating Company.

SCHEDULE 5
OTHER ACTIONS

Operating Company shall timely elect retransmission consent for the Station and not elect must carry and shall not enter into any retransmission consent or similar agreements with respect to the Station without the prior written consent of Programmer. This covenant shall survive closing in perpetuity and shall be binding on the successors and assigns of the parties.

Operating Company hereby grants Programmer the right to enter into retransmission consent agreements or amendments with the MVPDs serving the Wilkes-Barre-Scranton, PA DMA governing retransmission by such MVPDs of the broadcast signals of the Station(s).

EXECUTION COPY

FIRST AMENDMENT TO MASTER SERVICES AGREEMENT

This First Amendment ("Amendment") is made as of September 1, 2015 to the Master Services Agreement (the "Agreement") dated as November 1, 2014, by and between Sinclair Television Group, Inc. ("Programmer") and New Age Media of Pennsylvania, LLC ("Company") and New Age Media of Pennsylvania License, LLC ("Licensee," and together with the Company, collectively, "Operating Company"). Programmer and Operating Company are collectively referred to herein as the "Parties."

Recitals

WHEREAS, the Parties have agreed to amend certain provisions and schedules of the Agreement;

NOW THEREFORE, in consideration of the agreements made herein and for other consideration deemed sufficient by the Parties and intended to be legally bound, the Parties hereby agree as follows:

1. Section 1 of Schedule 1.5 of the Agreement is hereby deleted in its entirety and replaced with the following:

1. During the Term, Programmer shall pay a fee

2. Section 3(e) of Schedule 1.5 of the Agreement is hereby deleted in its entirety and replaced with the following:

3. The last sentence of Section 8.2 of the Agreement is hereby amended and restated to read in full as follows:

No expiration or termination of this Agreement shall (i) terminate the indemnification obligations of Programmer or Operating Company hereunder, (ii) relieve a party of any obligation or liability for breach or default prior to termination, or (iii) relieve Programmer from the following obligations:
 following expiration or termination of this Agreement shall p
 th

4. Except as amended by this Amendment, the Agreement, and the exhibits and schedules thereto, shall remain in full force and effect, enforceable in accordance with their respective terms.

5. This Amendment may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Amendment.

[Signature page follows]

¹ The parties acknowledge that the costs of a third employee and costs of health care for John Parente and his family contemplated by this Agreement are also provided for under other agreements between the parties and/or their affiliates and that the intention of the parties shall be that the costs to be reimbursed by Programmer are for one additional corporate employee and not several additional corporate employees, and one payment for each health care insurance cost, not duplicate or matching payments.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first written above.

PROGRAMMER

SINCLAIR TELEVISION GROUP, INC.

By: 

Name: David D. Smith
Title: President

OPERATING COMPANY

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By: _____

John Parente, Chief Executive Officer

NEW AGE MEDIA OF PENNSYLVANIA
LICENSE, LLC

By: _____

John Parente, Chief Executive Officer

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first written above.

PROGRAMMER

SINCLAIR TELEVISION GROUP, INC.

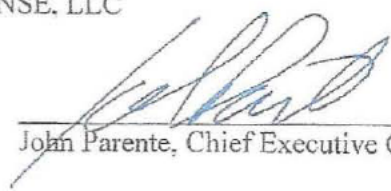
By: _____
Name:
Title:

OPERATING COMPANY

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By: 
John Parente, Chief Executive Officer

**NEW AGE MEDIA OF PENNSYLVANIA
LICENSE, LLC**

By: 
John Parente, Chief Executive Officer

OPTION AGREEMENT

THIS OPTION AGREEMENT (this "Agreement") is made as of October 31, 2014, effective November 1, 2014 (the "Effective Date"), by Sinclair Television Group, Inc., its successors or assigns (the "Optionee"), and New Age Media of Pennsylvania, LLC and New Age Media of Pennsylvania License, LLC (collectively, the "Optionor").

Explanatory Statement

Optionor is, as of the date hereof, the owner or the parent of the owner of certain of the assets, including the FCC Licenses (as defined below), (collectively, the "Assets") relating to television broadcast stations, WOLF-TV and WQMY-TV (collectively, the "Station"). Optionee and Optionor desire to enter into this Agreement to provide Optionee an option to acquire the Assets or the issued and outstanding equity of Optionor. The "Assets" shall include all assets relating to the Station which fall within the definition of the "Assets" under the APA (as defined in Section 2(e) below), owned by Optionor as of the Effective Date or thereafter acquired by Optionor.

Optionee and Optionor desire to enter into this Agreement to provide Optionee an option to acquire the Assets or the issued and outstanding equity of Optionor (the "Equity").

NOW, THEREFORE, IN CONSIDERATION OF the premises and mutual covenants, promises and agreements set forth herein, the parties represent, warrant, covenant and agree as follows:

1. **Grant of Option.** Optionor hereby grants to the Optionee, subject to the terms and conditions hereinafter set forth, the option (the "Option") to purchase the Assets or to elect to acquire all of the issued and outstanding equity of Optionor as provided in the APA (as defined below). The Assets shall include all the assets owned or held by Optionor or its affiliates relating to the Station, including the FCC Licenses which shall be defined as all licenses, permits, construction permits and other authorizations held by Optionor issued by or pending before the United States Federal Communications Commission necessary for the operation of the Station.

2. **Term and Exercise.**

(a) The Optionee may exercise this Option at any time prior to the expiration of this Option, which, subject to 2(b) below, expiration shall occur eight (8) calendar years from the date of this Agreement (such initial term and any eight (8) year renewal term in effect under Section 2(b) below being herein called the "Exercise Period"); provided, however, that the closing on the purchase of the Assets may take place after the expiration of the Exercise Period so long as Optionee has delivered the Exercise Notice (as defined in Section 2(d) below) prior to the expiration of the Exercise Period.

(b) The Exercise Period shall automatically extend for up to five (5) additional eight (8) year terms; provided, however, that the Optionee may, in its discretion, terminate this Agreement by providing written notice to the Optionor of its election to terminate

(a "Notice of Termination") at least six (6) months prior to the end of the Exercise Period then in effect, in which case the Option automatically shall expire at the end of such Exercise Period and this Agreement automatically shall terminate at the end of such Exercise Period. The Optionor shall have the right to terminate this Agreement by written notice to the Optionee if (i) the Optionee is, in any material respect, in breach of or default under the Master Services Agreement of even date herewith between the Optionor and the Optionee and (ii) the Optionee shall have failed to cure such breach or default within thirty (30) days after written notice of such breach or default shall have been provided by the Optionor to the Optionee, or if the Master Services Agreement is terminated in accordance with its terms.

(c) Notwithstanding anything to the contrary, in Section 2(a) and 2(b), if for any reason the Master Services Agreement of even date herewith between Optionor and Optionee (the "Master Services Agreement") shall terminate or the term thereof shall expire, then this Agreement and the Option also shall automatically terminate.

(d) The Optionee may exercise the Option by giving written notice (the "Exercise Notice") of the Optionee's exercise of this Option during the Exercise Period.

(e) No later than five (5) calendar days, unless extended by Optionee, after receipt by Optionor of the Exercise Notice, Optionor and Optionee shall execute and enter into the Asset Purchase Agreement substantially in the form attached hereto as Exhibit A (the "APA").

3. **Consideration for Option.** The Optionee shall pay to the Optionor for the grant of the Option REDACTED in the aggregate (the "Grant Price"), which shall be paid by certified check or wire transfer of immediately available funds on the date of this Agreement.

4. **Exercise Price.** On the Closing Date (as defined in the APA), Optionee shall pay to Optionor as full and final payment under the APA the amount of set forth in the APA, subject to any adjustments as provided by the APA.

5. **Representations and Warranties of the Optionor and Optionee.**

(a) Optionor represents and warrants to Optionee as follows:

(i) **Organization and Authority of Seller.** Optionor is a corporation or limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware. Optionor has the requisite corporate or limited liability company power to execute, deliver and perform this Agreement and the documents contemplated hereby according to their respective terms.

(ii) **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement by Optionor has been duly authorized by all necessary corporate or limited liability company or other required action on the part of Optionor. This Agreement has been duly executed and delivered by Optionor and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws

affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

(b) Optionee represents and warrants to Optionor as follows:

(i) **Organization and Authority of Seller.** Optionee is a corporation duly organized, validly existing, and in good standing under the laws of the State of Maryland. Optionee has the requisite power to execute, deliver and perform this Agreement and the documents contemplated hereby according to their respective terms.

(ii) **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement by Optionee has been duly authorized by all necessary corporate or other required action on the part of Optionee. This Agreement has been duly executed and delivered by Optionee and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

6. **Deliveries by Optionor on the Closing Date.** On the Closing Date, Optionor shall deliver to Optionee the instruments and documents required by Section 10.2 of the APA.

7. **Deliveries by Optionee on the Closing Date.** On the Closing Date, Optionee shall deliver to Optionor the instruments, documents and payments required by Section 10.3 of the APA.

8. **Notice of Certain Additional Events.** In the event of any consolidation of the Optionor with, or merger of the Optionor into, any other entity (other than a merger in which the Optionor is the surviving company); any transfer of all or substantially all of the assets of the Optionor; or the dissolution, liquidation, or winding up of the Optionor, the Optionor shall give Optionee at least twenty (20) calendar days' prior written notice of the date which shall be the record date for determining Optionor's stockholders entitled to vote upon such consolidation, merger, share exchange, transfer, dissolution, liquidation, or winding up.

9. **Assignment.** Upon prior written notice to Optionor, the Optionee may freely assign its rights or a portion thereof under this Agreement. The Optionor may only assign this Agreement as part of the estate planning of its controlling member, with the express consent of Optionee, which consent shall not be unreasonably withheld. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Any assignee of a party hereto shall be a party to this Agreement for all purposes hereof.

10. **Covenants.** Unless agreed upon in writing by Optionee, during the term of this Agreement and until title to and beneficial ownership of the Assets or Equity, as applicable, transfers to the Optionee, Optionor and its affiliates covenant and agree as follows:

- a. to undertake, at Optionee's cost and expense, any and all reasonable actions and comply with all reasonable requests of Optionee delivered to Optionor in writing which in any way pertain to the delivery of the Assets

and the Equity, as applicable, and the transfer of title to and beneficial ownership therein to Optionee upon the exercise of this Agreement;

- b. to pay all state, federal, and local taxes when due and on a current basis except to the extent any such taxes are the subject of a good faith challenge by Optionor;
- c. to undertake, at Optionee's cost and expense, any and all actions which Optionee may reasonably deem both necessary and appropriate to preserve Optionor's title to and beneficial ownership in all the Assets and the Equity, as well as the Optionee's rights to acquire the Assets and the Equity pursuant to the terms of this Agreement;
- d. to keep the Assets and the Equity, and Optionor's title thereto and beneficial ownership therein, free from and clear of all restrictions (other than restrictions, including, without limitation, restrictions on transfer, required by applicable law, governmental regulation or terms of any license or other agreement), liens, claims, security interests, and encumbrances;
- e. to transfer title to and beneficial ownership in the Assets and Equity, as applicable, to Optionee, upon the exercise of this Option, free from and clear of all restrictions (other than restrictions, including, without limitation, restrictions on transfer, required by applicable law, governmental regulation or any license or other agreement), liens, claims, security interests, and encumbrances;
- f. at Optionee's cost and expense, to cause and cooperate in the filing of all application(s) (the "Application(s)") to renew the Station's FCC license and broadcast authorizations (the "FCC Authorizations");
- g. at Optionee's cost and expense, to take and cooperate in the taking of commercially reasonable steps to prosecute and defend such Application(s) in an effort to obtain renewal of the FCC Authorizations on terms, to the extent reasonably possible, no less favorable than those existing prior to the renewal process;
- h. at Optionee's cost and expense, upon receipt of an Exercise Notice, to take appropriate action to file or cause to be filed reasonably promptly all Application(s) for the assignment or transfer of control of the Assets and Equity, as applicable, to Optionee, or to its subsidiary or assignee, as the case may be, and take commercially reasonable steps to prosecute and defend such Application(s) with a view towards obtaining a successful conclusion resulting in the assignment or transfer of control of the Assets and Equity, as applicable, to Optionee or its subsidiary or assignee;
- i. not to transfer or cause to be transferred any of the Assets, Equity and its beneficial ownership interest therein during the term of this Agreement

except to Optionee (and except for transfers, upon death of any individual member of Optionor, to his or her estate);

- j. not to undertake, initiate, support and/or vote for any action which would cause the Assets or Equity to be sold, leased, transferred, conveyed, or encumbered, without Optionee's prior written consent;
- k. not to issue any additional securities or rights to acquire additional securities of Optionor or its affiliates to any person or entity other than Optionee;
- l. not to, by amendment of a charter or through any reorganization, consolidation, merger, dissolution, issue or sale of securities, sale of assets, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but to, at all times and in good faith and at Optionee's cost and expense, assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of Optionee under this Agreement; and
- m. subject to the terms of the Master Services Agreement, to operate the station in the ordinary course consistent, to the extent reasonably practicable, with the manner in which such station's operations were conducted during the year prior to the date of this Agreement.

All costs and expenses reasonably incurred by Optionor pursuant to the foregoing clauses a, c, d, e, f, g, h and l shall be payable by Optionee to Optionor upon demand.

11. **Survival of Option on Certain Additional Events.** This Option shall survive any consolidation of Optionor or any of its affiliates with, or merger of Optionor or any of its affiliates into, any corporation; any share exchange as defined in the Corporations and Associations Article of the Annotated Code of Maryland; any transfer of the Equity, Assets, stock, equity interest or the assets of Optionor or any of its affiliates; or dissolution, liquidation, or winding up of Optionor or any of its affiliates.

12. **Notices.** Any notice, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall either be (a) delivered personally to the party to whom it is directed, in which case a signed receipt therefore shall be received; (b) sent by certified mail, return-receipt requested, postage prepaid; (c) sent by e-mail or telecopy; or (d) sent to overnight courier addressed to the parties at the addresses set forth below their several signatures, or to such other address or addresses as may be designated from time to time in accordance with this Section 12. Any such notice shall be deemed to be delivered, given, and received for all purposes of this Agreement as of (i) the date noted on the signed receipt if delivered personally; (ii) the date deposited in a regularly maintained receptacle for the deposit of the United States mail, if sent by certified mail; (iii) the date telecopied with confirmed receipt if sent via facsimile; or (iv) the next day after sent by overnight courier:

If to Optionor:

c/o New Age Media Management
46 Public Square
Suite 500
Wilkes-Barre, PA 18701
Attention: John Parente
E-mail: jparente@newagemediatv.com
Facsimile: (570) 824-7897

With a copy (which shall not constitute notice) to:

John J. Cunningham, III
Cozen O'Connor
1900 Market Street
Philadelphia, PA 19103
E-mail: jcunningham@cozen.com
Facsimile: (215) 665-2013

If to Optionee:

Sinclair Television Group, Inc.
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Attention: President
E-mail:
Fax: (410) 568-1537

With a copy (which shall not constitute notice) to:

General Counsel
10706 Beaver Dam Road
Cockeysville, Maryland 21030
E-mail:
Fax: (410) 568-1537

13. **Additional Actions and Documents.** Each of the parties hereto agrees to take or cause to be taken such further actions, to execute, acknowledge, seal, and deliver or cause to be executed, acknowledged, sealed, and delivered the APA and such further instruments and documents and to use their reasonable efforts to obtain such requisite consents as any other party may from time to time reasonably request in order to fully effectuate the purposes and fulfill the intent of this Agreement and take the other actions set forth on Schedule A hereto.

14. **Binding Effect.** Each of the covenants and agreements in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of their respective heirs, guardians, personal and legal representatives, successors, and permitted assigns.

15. **Governing Law.** This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Delaware (other than its conflicts of laws provisions).

16. **Specific Performance.** In the event of a breach of this Agreement, any non-breaching party hereto may maintain an action for specific performance against the party or parties hereto who are alleged to have breached any of the terms, conditions, representations, warranties, provisions, covenants, or agreements herein contained, and it is hereby further agreed that no objection to the form of action in any proceeding for specific performance of this Agreement shall be raised by any party hereto so that such specific performance of this Agreement may not be obtained by the aggrieved party. Anything contained herein to the contrary notwithstanding, this Section 14 shall not be construed to limit in any manner whatsoever any other rights and remedies that an aggrieved party may have by virtue of any breach of this Agreement.

17. **Attorneys' Fees.** If a party to this Agreement breaches this Agreement, such party shall pay all of the other parties' costs, expenses, and fees (including, without limitation, attorneys' fees) incurred as a result of or in connection with such breach or threatened breach.

18. **Headings.** The descriptive headings used in this Agreement are inserted for convenience only, and do not constitute a substantive part of this Agreement, and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement as a whole or any provision hereof.

19. **Word Usage.** Unless the context otherwise requires, whenever used in this Agreement, the singular shall include the plural, the plural shall include the singular, and the masculine gender shall include the neuter and feminine gender, and vice versa. Whenever used in this Agreement, words such as "herein," "hereinafter," "hereof," "hereto," and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

20. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall together constitute one document. A party's delivery of a counterpart signature page to this Agreement, as signed by such party, by facsimile, PDF or other electronic means shall be effective as such party's delivery of a manually executed counterpart of this Agreement.

21. **Construction.** Each and every term and provision of this Agreement has been mutually agreed to and negotiated by the parties hereto, and shall be construed simply according to its fair meaning and not strictly for or against any party.

22. **Severability.** Each and every term and provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of this Agreement.

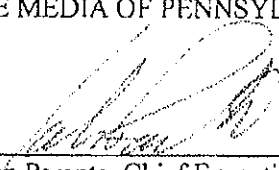
23. **Time.** Time is of the essence with respect to all aspects of this Agreement.

(Signatures on the following pages)

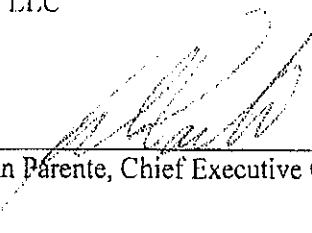
IN WITNESS WHEREOF, the parties hereunto have executed, sealed, and delivered this Agreement or caused this Option Agreement to be executed, sealed, and delivered on the day and year first hereinabove set forth.

Optionor:

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By: 
John Parente, Chief Executive Officer

NEW AGE MEDIA OF PENNSYLVANIA
LICENSE, LLC

By: 
John Parente, Chief Executive Officer

Optionee:

SINCLAIR TELEVISION GROUP, INC.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the parties hereunto have executed, sealed, and delivered this Agreement or caused this Option Agreement to be executed, sealed, and delivered on the day and year first hereinabove set forth.

Optionor:

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By: _____
John Parente, Chief Executive Officer

NEW AGE MEDIA OF PENNSYLVANIA
LICENSE, LLC

By: _____
John Parente, Chief Executive Officer

Optionee:

SINCLAIR TELEVISION GROUP, INC.

By: 

Name: David B. Amy

Title: Secretary

EXECUTION COPY

JOINT SALES AND SHARED SERVICES AGREEMENT

This **JOINT SALES AND SHARED SERVICES AGREEMENT** (this "Agreement") is dated as of March 31, 2007 by and between MPS Media of Scranton, LLC, a Delaware limited liability company ("Licensee"), and New Age Media of Pennsylvania, LLC ("Sales Agent").

RECITALS

A. Pursuant to the Asset Purchase Agreement dated August 7, 2006 by and among Licensee, MPS Media of Tallahassee, LLC, Mystic Television of Scranton LLC and Mystic Television of Tallahassee LLC, Licensee has acquired the FCC Licenses of television broadcast station WSWB(TV) and digital television broadcast station WSWB-DT, both serving Scranton, Pennsylvania (together, the "Station"), and certain assets of the Station (the "WSWB Purchase Agreement");

B. Pursuant to the Asset Purchase Agreement dated August 7, 2006 by and among CP Media, LLC ("CP Media"), an affiliate of Sales Agent, Pegasus Satellite Communications, Inc., Pegasus Broadcast Television, Inc., WGFL License Corporation, WTLH License Corp., WDSI License Corp, WOLF License Corp., HMW, Inc. and Pegasus Broadcast Associates, L.P., Sales Agent has acquired certain other assets of the Station (the "Pegasus Purchase Agreement," and together with the WSWB Purchase Agreement, the "Purchase Agreements");

C. Pursuant to the Pegasus Purchase Agreement, Sales Agent has acquired and is operating television broadcast stations WOLF-TV and WOLF-DT, Hazleton, Pennsylvania, and WQMY(TV) (formerly WLIF(TV) and WQMY-DT (formerly WLIF-DT), Williamsport, Pennsylvania (collectively, the "New Age Stations"), pursuant to licenses, permits and other authorizations issued by the FCC;

D. In order to support and promote the economic viability and development of the Station, Licensee desires to appoint Sales Agent as its advertising sales representative for the sale and placement of commercial advertising time on the Station and to retain Sales Agent to provide related sales and other services to Licensee with respect to the operation of the Station, to utilize certain facilities of Sales Agent and to provide to Licensee certain news and public interest programming for broadcast on the Station, in each case in conformity with the FCC Rules; and

E. It is the parties' expectation that Sales Agent, with its experience and operating infrastructure, will improve the overall efficiency of the Station's sales and operating processes and reduce costs, thereby helping to ensure that the Station remains a viable alternative for both television viewers and advertisers.

AGREEMENTS

In consideration of the above recitals and of the mutual agreements and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, Licensee and Sales Agent, intending to be bound legally, agree as follows:

SECTION 1. DEFINITIONS

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

"Advertisements" means the commercial announcements sold by Sales Agent for broadcast on the Station.

"Advertising Inventory" means all of the Commercial Time, excluding: (i) advertising reserved for and retained by the network in network programming, (ii) advertising reserved for and retained by programming providers in nationally syndicated barter programming aired pursuant to the contractual arrangements for such programming, and (iii) Commercial Time during Delivered Programming sold by Sales Agent.

"Advertising Report" has the meaning set forth in Section 4.8.

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

"Commercial Time" means time available for commercial announcements on the Station.

"Communications Act" means the Communications Act of 1934, as amended.

"Communications Laws" means the Communications Act, together with the FCC Rules, as in effect from time to time.

"Effective Date" means March 31, 2007.

"FCC" means the Federal Communications Commission, together with any successor thereto.

"FCC Licenses" means all licenses, permits and other authorizations issued by the FCC with respect to the ownership, operation or construction of the Station and all auxiliary broadcast and satellite earth station facilities used in the operation of the Station.

"FCC Rules" means the rules, regulations and policies promulgated under the Communications Act, by the FCC, as in effect from time to time.

"Market" means the Wilkes Barre-Scranton, Pennsylvania, Designated Market Area.

"Person" includes natural persons, corporations, business trusts, associations, companies, joint ventures, limited liability companies, partnerships and other entities or organizations.

"Priority Capital Expenditures" means, with respect to the Station, the budgeted capital expenditures of the Station which Sales Agent has agreed, in writing, are "Priority Capital Expenditures."

"Priority Obligations" means, for any period, in order of priority, (i) amounts necessary for Licensee to pay its expenses, if any, incurred in exercising its duties with respect to the Station, including without limitation, costs of insurance, programming, bookkeeping, FCC compliance and property maintenance, cash payments due for Priority Capital Expenditures, or any other matters that the parties may agree to in writing, and (ii) such reasonable reserves as Licensee shall establish with respect to contingent liabilities and Priority Capital Expenditures requirements.

1.2 Additional Defined Terms. In addition to the defined terms in the preamble, recitals and Section 1.1 hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<u>Term</u>	<u>Section/Schedule</u>
American Tower	Section 4.3
Broadcast Material	Section 4.5
Delivered Programming	Section 4.2
Disclosure Statement	Section 5.2(c)
Excluded Services	Section 4.4
Policy Statement	Section 4.5
Premises	Section 5.4
PSAs	Section 4.6
Ratings Agencies	Section 5.1(l)
Studio Building	Section 4.3(a)(i)
Term	Section 2.1
Trade Agreements	Section 4.7

SECTION 2. TERM

2.1 Term. The term of this Agreement shall commence on the date hereof and continue for a period of ten (10) years (the "Term"), unless terminated in accordance with Section 2.2 below. The Term of this Agreement shall automatically renew for one additional ten (10) year term unless either party gives the other party written notice of its intention not to renew the Agreement not less than three (3) months prior to expiration of the Term.

2.2 Termination.

(a) Mutual Agreement. This Agreement may be terminated at any time by mutual agreement of the parties hereto. This Agreement shall terminate (i) automatically upon the failure of the FCC to renew the FCC Licenses, which failure shall have become final and no longer subject to appeal or (ii) automatically in the event that the option to purchase all or substantially all of the assets or membership interest of MPS granted pursuant to that certain Purchase Option Agreement entered into as of the date hereof by and among Licensee, its sole member, Eugene Brown, and Sales Agent shall have been exercised and consummated.

(b) Termination by Licensee or Sales Agent. This Agreement may be terminated by Licensee or Sales Agent, by written notice to the other, (i) if this Agreement has been declared invalid or illegal in whole or substantial part by an order or decree of an administrative agency or court of competent jurisdiction which is not subject to appeal or further administrative or judicial review, and the parties, acting in accordance with Section 5.7 hereof, have been unable to agree upon a modification or reform of the Agreement so as to cause the Agreement to comply with applicable law; or (ii) there has been a change in the Communications Laws that causes this Agreement in its entirety to be in violation thereof and the applicability of such change is not subject to appeal or further administrative review; and the parties, acting in accordance with Section 5.7 hereof, have been unable to agree upon a modification or reform of the Agreement so as to cause the Agreement to comply with applicable law.

(c) Termination by Sales Agent. This Agreement may be terminated by Sales Agent, by written notice to Licensee, upon the occurrence of any of the following events:

(i) if Sales Agent is not then in material breach and Licensee is in material breach under this Agreement and Licensee has failed to cure such breach within ninety (90) days after receiving written notice of breach from Sales Agent; or

(ii) if Licensee or any Affiliate of Licensee makes a general assignment for the benefit of creditors, files, or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of Licensee or any Affiliate of Licensee under any federal or state insolvency law which, if filed against Licensee or any Affiliate of Licensee, has not been dismissed within thirty (30) days thereof.

(d) Termination by Licensee. This Agreement may be terminated by Licensee, by written notice to Sales Agent,

(i) if Licensee is not then in material breach and if Sales Agent breaches its obligations hereunder, has failed to cure such breach within ninety (90) days after receiving written notice of such breach from Licensee; or

(ii) if Sales Agent or any Affiliate of Sales Agent makes a general assignment for the benefit of creditors, files, or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of Sales Agent or any Affiliate of Sales Agent under any federal or state insolvency law which, if filed against Sales Agent or any Affiliate of Sales Agent, has not been dismissed within thirty (30) days thereof;

2.3 Certain Matters Upon Termination. If this Agreement is terminated by either party under Section 2.2, no expiration or termination of this Agreement shall terminate the obligations of either party hereto to indemnify the other for claims of third parties under Section 8 of this Agreement, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination. In the event of the expiration, cancellation or termination of this Agreement:

(a) Licensee shall have no further obligation to retain Sales Agent as its advertising sales representative for the Station;

(b) Sales Agent shall assign to Licensee all advertising contracts entered into by Sales Agent during the Term for broadcasting such advertising on the Station (the "New Advertising Contracts");

(c) Licensee shall assume the New Advertising Contracts and all associated liabilities and perform all of Sales Agent's obligation under the New Advertising Contracts; and

(d) Licensee shall be entitled to retain any revenues for advertising broadcast after the expiration, cancellation or termination of this Agreement.

(e) Licensee shall be entitled to lease the assets of the Station owned by Sales Agent, based on the fair market value of such assets, pursuant to terms and conditions reasonably customary in the broadcast industry.

SECTION 3. CONSIDERATION

(a) Subject to Section 3(b), Licensee shall be entitled to all revenues generated by the sale of Advertising Inventory. Sales Agent is responsible for collecting all of the Station's accounts receivable.

(b) During the term of this Agreement, Licensee shall pay and Sales Agent shall be entitled to commissions as set forth in Schedule 3.1 ("Sales Commission"), provided,

that, the payment of the Sales Commission in any month shall not exceed the amount by which (i) the sum of (A) Licensee's cash on hand at the beginning of each month and (B) the cash flow generated by the Station during such month, exceeds (ii) the sum of (A) Licensee's Priority Obligations for such month and (B) the Services Fee to be paid by Licensee in such month.

(c) In consideration for the Shared Services provided pursuant to this Agreement, Sales Agent shall be entitled to receive from Licensee a monthly Services Fee, as defined and in accordance with the terms and conditions set forth in Schedule 3.1, provided that, the payment of the Services Fees in any month shall not exceed the amount by which the sum of (A) Licensee's cash on hand at the beginning of each month and (B) the cash flow generated by the Station during such month exceeds Licensee's Priority Obligations for such month. Licensee shall retain all other revenues, except as provided in Section 3(b) of this Agreement.

SECTION 4. SCOPE OF SERVICES

4.1 Sales and Related Services. Except as expressly provided to the contrary herein, Licensee retains Sales Agent on an exclusive basis for the Term of this Agreement as its advertising representative to market and sell all Advertising Inventory on the Station during the Term. Subject to the terms of Schedule 3.1, national spot advertising broadcast on the Station shall continue to be sold by the Station's existing national rep firm. Licensee shall promptly provide to Sales Agent and its employees such information as Sales Agent may request to support the marketing and sale of the Advertising Inventory and the collection of accounts receivable with respect thereto. Sales Agent also shall be responsible for the promotion of the Station and for the Station's traffic, billing and collection functions for the Advertisements, subject to Licensee's ultimate control and authority. Sales Agent shall designate an adequate number of its personnel to perform such services for the Station. Sales Agent shall conduct the sales, traffic and promotion functions for the Station in accordance with standard practice in the industry. Sales Agent and Licensee shall periodically review the personnel needs and job functions of the persons designated by Sales Agent to perform its obligations under this Agreement and implement such changes as they mutually agree are appropriate. Sales Agent may sell the Advertisements in combination with any other broadcast stations of its choosing, including the New Age Stations; *provided, however*, that under no circumstances will advertisers be required to purchase time on the Station and the New Age Stations together. Subject to Section 4.5, the placement, duration and rates of the Advertisements shall be determined by Sales Agent; *provided, however*, that the rates charged by Sales Agent for sale of the Advertising Inventory shall be subject to the ultimate control of Licensee and all sales shall be subject to Licensee's approval.

4.2 Delivered Programming. Commencing on the Effective Date, Sales Agent shall have the right to provide to Licensee for broadcast, simulcast or rebroadcast on the Station, as applicable, local news and other programming as described more particularly in Schedule 4.2 hereof (the "Delivered Programming"). The total duration of all Delivered Programming supplied by Sales Agent for broadcast on the Station shall in no event exceed the lesser of 25 hours per week or 15% of the Station's broadcast hours for any week. Sales Agent shall be responsible for obtaining the rights to broadcast the Delivered Programming on the Station and for paying all costs incurred in obtaining such rights. To the extent permission is required to

rebroadcast any Delivered Programming under Section 325 of the Communications Act, Sales Agent hereby grants Licensee such permission. The Delivered Programming shall be subject to the requirements of Section 4.5, including but not limited to the Licensee's right of rejection or preemption. All Delivered Programming shall be in conformity in all material respects with standards established by Licensee and consistent with similar programming broadcast on the New Age Stations. Subject to Sales Agent's obligation to provide the Delivered Programming as set forth herein, the selection of the programming to be aired on the Station shall be within the ultimate discretion of Licensee. Sales Agent shall retain all revenue from the sale of Advertisements that are adjacent to or in the Delivered Programming.

4.3 Shared Services. Sales Agent agrees to provide to Licensee the following additional facilities, equipment and services ("Shared Services") to support the operation of the Station, subject to Licensee's right to modify, upon reasonable prior notice to Sales Agent, any such service, *provided* that no such modification shall be deemed to expand in any material respect the obligations of Sales Agent, or require Sales Agent to incur any material additional obligation or liability, hereunder:

(a) Office and Studio Space.

(i) If and to the extent Sales Agent elects, in its sole discretion, to provide some or all of the services to be provided by Sales Agent hereunder from the studio facility used by Sales Agent for the New Age Stations (the "Studio Building"), Sales Agent shall provide to Licensee's employees and agents the right to access and use sufficient office space, including furnishings and office equipment for the Station's main studio operations, including sufficient space to permit Licensee to maintain and make available to the public the Station's public inspection file and otherwise satisfy the applicable "main studio" requirements of the Communications Laws, at such locations in or near the Studio Building, in each case as may be mutually acceptable to Licensee and Sales Agent and as Licensee reasonably requires for the conduct of the business of the Station as contemplated by the terms hereof and in accordance with applicable requirements of the FCC, so long as the provision of such space and the use of such equipment do not unreasonably interfere with the conduct of Sales Agent's business or operations.

(ii) Sales Agent shall give Licensee and its agents a nonexclusive and unrestricted right of access to the Studio Building at all times, subject only to Sales Agent's reasonable security procedures applicable to its own employees, for the purpose of fulfilling Licensee's obligations as an FCC licensee. The right granted under this Section shall include the incidental benefit and reasonable right of use of utilities (heat, water, electricity) provided for purposes of Sales Agent's own operations. Sales Agent shall provide separate, lockable office facilities for use by Licensee's general manager or other managerial employee(s) and shall permit Licensee to install appropriate signs on the inside and outside of the Studio Building (consistent with applicable local requirements or agreements, if any, governing such signage and with the overall appearance of the Studio Building) identifying Licensee as the owner and licensee of the Station.

(iii) If, at the time of termination of this Agreement, some or all of the Station's operations are co-located in the Studio Building as contemplated by Section 4.3(a)(i)

hereof, Licensee shall be given a transition period of not less than twelve (12) months following such termination in which to relocate such operations. During such transition period, Licensee shall have access to the Studio Building in the same manner as during the term of this Agreement. Such transition period may be lengthened upon such terms and conditions as may be mutually agreeable to the parties.

(b) Tower Leasing.

(i) In the event that Licensee, now or in the future, broadcasts or transmits its signal by or through a tower owned, leased or operated by American Tower, Inc. or any of its direct or indirect subsidiaries or affiliates (collectively, "**American Tower**"), Sales Agent, through its parent company CP Media, shall provide to Licensee adequate space on such tower to broadcast or transmit its signal as long as the applicable lease agreement by and between CP Media and American Tower is in effect and has not expired or been terminated.

(ii) In the event that Licensee, now or in the future, broadcasts or transmits its signal by or through a tower leased by Sales Agent, Sales Agent shall provide to Licensee adequate space on such towers to broadcast or transmit its signal as long as the lease agreement to which Sales Agent is a party is in effect and has not expired or been terminated.

(c) Technical Services.

(i) Beginning as soon as reasonably practicable following the Base Date, Sales Agent shall perform monitoring and maintenance of the Station's technical equipment and facilities and, upon Licensee's request, shall assist Licensee with the installation, repair, maintenance and replacement of the Station's equipment and facilities, and shall complete the construction of the digital facilities of the Station in accordance with the Communications Act, provided all actions of Sales Agent with regard to any of the foregoing shall be subject to the ultimate control and authority of Licensee.

(ii) Beginning as soon as reasonably practicable following the Base Date, Sales Agent shall make available to Licensee, on an independent contractor basis, a staff engineer employed by Sales Agent to assist the Licensee's Chief Operator for the Station in fulfilling his duties as specified by the FCC Rules.

4.4 Excluded Services. (a) Licensee retains all rights with respect to the sale of supplementary or ancillary non-broadcast services on the Station not included within the definition of "Advertisements" in Section 4.1 hereof (collectively, "Excluded Services"), and (b) the commercial inventory and marketing and advertising rights with respect to Excluded Services are not conveyed to Sales Agent under this Agreement, *provided* that the Excluded Services shall not reduce or limit the number or duration of the Advertisements made available to Sales Agent under this Agreement.

4.5 Content Policies. All material furnished by Sales Agent for broadcast on the Station ("Broadcast Material") shall comply with the Communications Laws and applicable federal, state and local regulations and policies, including commercial limits in children's programming. Licensee may preempt or reject any Broadcast Material if Licensee reasonably determines that the broadcast of such material would violate applicable laws or would otherwise be contrary to

the public interest. Licensee shall promptly notify Sales Agent of any such rejection, preemption, or rescheduling and shall cooperate with Sales Agent in efforts to fulfill commitments to advertisers and syndicators. Licensee is familiar with the operating standards followed by Sales Agent in the operation of the New Age Stations, which standards are consistent with those employed by Licensee in the operation of the Station. Schedule 4.5 sets forth Licensee's statement of policy (the "Policy Statement") with regard to the Delivered Programming and the Advertisements. Sales Agent shall ensure that the Advertisements and Delivered Programming are in accordance with this Agreement and Licensee's Policy Statement.

4.6 Public Service Announcements. Sales Agent acknowledges that Licensee may provide time on the Station for the promotion of public service organizations in the form of public service announcements ("PSAs"), and agrees that it will release spot time to Licensee for the broadcast of PSAs at times and in amounts consistent with the past practices of the Station and consistent with Sales Agent's operating policies applicable to the broadcast of PSAs on the New Age Stations. Licensee and Sales Agent shall cooperate in good faith concerning the placement of the PSAs to be broadcast on the Station; *provided, however*, that Licensee shall be ultimately responsible for selecting and obtaining PSAs for broadcast on the Station.

4.7 Trade and Barter Spots. Schedule 4.7 hereto is an accurate and complete list in all material respects as of the date specified thereon of all Station contracts for the sale of advertising time on the Station for non-cash consideration that are in effect as of and will extend beyond the Base Date ("Trade Agreements"). Sales Agent shall comply with and honor all such Trade Agreements, if and to the extent that Trade Agreement spots may be broadcast on a preemptible basis. After the Effective Date, Sales Agent and Licensee shall have the right to enter into new contracts for the sale of Advertisements for non-cash consideration, *provided* that both parties agree to each such Trade Agreement. The parties shall mutually agree as to the use of the non-cash consideration received for each new Trade Agreement. For purposes of this Section 4.7, the term Trade Agreement applies only to the bartering of advertising in return for goods and services other than programming.

4.8 Monthly Reports; Books and Records. The following obligations shall begin on the first day of the first full calendar month beginning after the Effective Date. On or before the twenty-fifth (25th) day of each calendar month during the Term of this Agreement, Sales Agent shall furnish Licensee with a report ("Advertising Report") regarding Sales Agent's sales by advertiser of the Advertisements, other than Advertisements in or adjacent to Delivered Programming, for the previous calendar month. Licensee shall have the right to review only those books and records of Sales Agent that pertain to the revenues from the sale of such Advertisements.

4.9 Control. Notwithstanding anything to the contrary in this Agreement, Licensee and Sales Agent acknowledge and agree that during the Term of this Agreement, Licensee will maintain ultimate control and authority over the Station, including specifically control and authority over the Station's operations, including finances, personnel, and programming. Without limiting the generality of the foregoing and subject to Sales Agent's rights under Section 4.2 hereof with respect to the Delivered Programming, Licensee shall retain sole responsibility for the selection, development, and acquisition of any and all programming to be broadcast over the Station, as well as the payment therefor, other than those payments associated with the

Delivered Programming. To that end, Licensee shall (a) have exclusive authority for the negotiation, preparation, execution and implementation of any and all programming agreements for the Station, and (b) retain and hire or utilize whatever employees Licensee reasonably deems appropriate or necessary to fulfill those programming functions, including at least two full-time employees, one of whom shall be a management-level employee. Sales Agent shall not represent, warrant or hold itself out as the Station's licensee, and all sales material prepared by Sales Agent for the sale of advertising time on the Station shall identify Licensee as the licensee of the Station using mutually agreeable wording and references. Sales Agent shall sell advertising time and enter into all agreements for the sale of time on the Station and for the Delivered Programming in its own name.

SECTION 5. OTHER OBLIGATIONS OF THE PARTIES

5.1 Responsibilities of Licensee. Licensee, at its expense, shall be responsible for and perform the following obligations with respect to the business and operations of the Station during the Term of this Agreement, in accordance with and subject to the following:

(a) Licensee shall bear all responsibility for the Station's compliance with all applicable provisions of the Communications Laws and all other applicable laws. Licensee shall file in a timely and complete manner all reports and applications required to be filed with the FCC or any other governmental body. All programming aired on the Station that is produced in whole or in part by Licensee or any Affiliate of Licensee shall comply in all material respects with Licensee's Policy Statement.

(b) Licensee shall maintain in effect policies of insurance insuring the assets and the business of the Station in accordance with good industry practices and, at the least consistent with the coverage provided under such policies as were in existence on the day prior to the Base Date.

(c) Licensee shall cause the Station transmitting facility to be maintained at all times in accordance with good engineering practice and with all engineering requirements set forth in the Station's FCC authorizations (except at such time where reduction of power is required for routine or emergency maintenance) and in accordance with the Communications Act. Licensee shall use, operate, and maintain all of the assets of the Station in a reasonable manner. If any loss, damage, impairment, confiscation or condemnation of any of such assets occurs, Licensee shall repair, replace, or restore the assets to their prior condition as soon thereafter as possible, and Licensee shall use the proceeds of any claim under any insurance policy to repair, replace or restore any of the assets that are lost, damaged, impaired or destroyed.

(d) Licensee shall be solely responsible for and shall pay in a timely manner all operating costs of the Station (excluding those costs to be borne by Sales Agent in accordance with Section 5.2 or in connection with the Shared Services to be provided by Sales Agent to Licensee pursuant to Section 4.3), including the cost of electricity, other utilities and rental or other payments with respect to real property leased by Licensee, taxes, and the salaries, insurance, and other costs for all personnel employed by Licensee.

(e) Licensee shall promptly pay when due, all music rights payments (including, without limitation, music performance rights, synchronization rights, and master use rights), if any, in connection with the broadcast and/or transmission of all announcements, including the Advertisements, and programming on the Station, other than the Delivered Programming.

(f) Licensee shall, consistent with its past practice, make any and all capital expenditures necessary to (i) maintain the Station's current level of technical operation, which shall in no event be lower than generally accepted industry standards, and (ii) subject to Sales Agent's obligations under Section 4.3 hereof, complete the construction of the Station's digital television facilities in accordance with all FCC Rules concerning such digital construction.

(g) Licensee shall be solely responsible for all costs and expenditures associated with the procuring of programming to be aired on the Station, other than those associated with the Delivered Programming. Licensee shall pay over to Sales Agent all funds received by Licensee each year from Twentieth Television, Inc. and any other program syndicator or supplier for promotion of My Network TV and other programming on the station, and Sales Agent shall use all such funds solely for their intended purposes. Licensee shall cooperate with Sales Agent in filing any necessary forms or reports required to obtain co-op reimbursement or other funds to which Sales Agent is entitled under this Section 5.1(g). To the extent that any network or program service agreement of Licensee provides that, in exchange for cash payment, additional spot time that otherwise would be used by such network or program service may be released for local sales by the Station, Licensee, upon request by the Sales Agent, will obtain the release of such commercial spot inventory for the placement of Advertisements by the Sales Agent, subject to Sales Agent paying to Licensee the cash amount required for such release.

(h) Licensee shall have the right to supplement the promotional efforts undertaken by Sales Agent, subject to coordinating such efforts with Sales Agent in order to maintain image consistency with Sales Agent's promotional efforts.

(i) Licensee, in consultation with Sales Agent, shall exercise Licensee's rights to mandatory carriage and retransmission consent for cable television and other multichannel video providers in a manner that ensures the maximum possible distribution of the Station's signal on cable, direct-broadcast-satellite, and other multichannel video programming distributors serving communities located in the Market. Subject to the provisions of any network affiliation or other programming agreement, Licensee shall consult and cooperate with Sales Agent in the negotiation, maintenance, and enforcement of retransmission consent agreements with cable, satellite and other multichannel video providers.

(j) Except as otherwise permitted by this Agreement, Licensee shall not take any action or unreasonably omit to take any action which results in or causes (i) a revocation, non-renewal or material impairment of the FCC Licenses, or (ii) a material adverse effect upon the Station's transmitter, antenna and other material assets included in the Station's transmission facility.

(k) Licensee shall list Sales Agent as the exclusive sales representative for the Advertisements in all applicable trade listings and advertising and promotional material if and when such listings and material are published by Licensee.

(l) To the extent permitted under the terms of any applicable agreement, Licensee shall provide to Sales Agent such routine ratings information and ratings reports with respect to the Station as are customarily prepared or obtained by Licensee in the ordinary course of business. Except as otherwise agreed by Licensee and Sales Agent, Licensee shall maintain (including timely payment of all fees) any agreements with A.C. Nielsen Company or its affiliates or other ratings information providers customarily used by Licensee as a source of local station research information for the Station (collectively, the "Ratings Agencies"). At Sales Agent's request, Licensee shall use its commercially reasonable efforts to assist Sales Agent in obtaining from the Ratings Agencies permission to use the Station's ratings information and reports in connection with the sale of the Advertisements.

5.2 Responsibilities of Sales Agent. Sales Agent, at its expense and subject to the provisions of Schedule 3.1, shall be responsible for and perform the following obligations with respect to the marketing and sale of the Advertisements during the Term of this Agreement in accordance with and subject to the following provisions:

(a) Sales Agent shall be solely responsible for (i) all commissions to employees, agencies or representatives and other expenses incurred in its marketing and sale of the Advertisements; (ii) all expenses incurred in its performance of traffic, billing, and collections functions with respect to the Advertisements; (iii) any publicity or promotional expenses and other fees it incurred in performing its obligations under this Agreement; and (iv) all fees related to the software used for sales, traffic, billing and similar functions.

(b) Sales Agent shall be solely responsible for and shall pay in a timely manner the taxes and the salaries, insurance, and other costs for all personnel of the Station, other than personnel employed by Licensee.

(c) Sales Agent shall cooperate with Licensee to assist Licensee in complying with the provisions of the Communications Laws regarding political advertising, including compliance with Licensee's statement disclosing political advertising rates and practices for purchasers of political advertising consistent with applicable FCC Rules ("Disclosure Statement"). Sales Agent shall supply such information promptly to Licensee as may be necessary to comply with the public inspection file, lowest unit rate, equal opportunities, and reasonable access requirements of the Communications Laws. If the Station fails to meet its political time obligations under the Communications Laws based on Advertisements sold by Sales Agent, then to the extent reasonably necessary to enable Licensee to cause the Station to comply with its political time obligations, Sales Agent shall make available Advertising Inventory to Licensee.

(d) Sales agent shall assist Licensee with the negotiation, maintenance, and enforcement of retransmission consent agreements with cable, satellite, and other multichannel video providers, subject to Licensee's ultimate control and authority.

(e) Sales Agent shall, upon reasonable request of Licensee and subject to the ultimate direction of Licensee's management employee(s), assist Licensee in performing the obligations set forth in Sections 5.1(b) and 5.1(e), in order to enable Licensee to comply with the Communications Laws.

5.3 Delivery of Material for Broadcast. All Broadcast Material shall be delivered to the Station in a format to be agreed upon by Sales Agent and Licensee, in a form ready for broadcast on the Station's existing playback equipment, and with quality suitable for broadcast. Licensee shall not be required to provide production services or to copy, reformat, or otherwise manipulate material furnished by Sales Agent other than inserting tape cartridges or similar broadcast-ready media into machinery or computers for broadcast.

5.4 Provision of Office and Tower Space. Licensee shall provide to employees and agents of Sales Agent and its affiliates the right to access and use space designated by Licensee for Sales Agent's use in the studio building (the "Premises") as reasonably necessary for Sales Agent's performance of its obligations under this Agreement, so long as the provision of such space and right of access and use does not unreasonably interfere with the conduct of Licensee's business or operations. When on the Premises, Sales Agent's personnel shall be subject to the reasonable direction and control of Licensee's management personnel. Licensee shall make available to Sales Agent for use without fee or charge all facilities and equipment of the Station.

5.5 Access to Information. In order to ensure compliance with the Communications Laws and other applicable laws, Licensee shall be entitled to review at its reasonable discretion from time to time any Advertisement or Delivered Programming that Licensee may reasonably request. Sales Agent also shall maintain and deliver to the Station such records and information required by the FCC to be placed in the public inspection file of each Station pertaining to the sale of political programming and advertisements, in accordance with the provisions of Sections 73.1940 and 73.3526 of the FCC Rules, and to the sale of sponsored programming addressing political issues or controversial issues of public importance, in accordance with the provisions of Section 73.1212 of the FCC Rules. Sales Agent shall furnish to Licensee upon request any other information that is reasonably necessary to enable Licensee to prepare any records or reports required by the FCC or other governmental entities in connection with the Station. Nothing in this section shall entitle Licensee to review the internal corporate or financial records of Sales Agent. Licensee shall keep confidential any information obtained from Sales Agent in connection with this Agreement, except as and to the extent required by law. If this Agreement is terminated, Licensee shall return to Sales Agent all information obtained by Licensee from Sales Agent in connection with this Agreement.

5.6 Noncompete. Licensee covenants and agrees, on behalf of itself and its respective Affiliates, that during the Term hereof, neither it nor any Affiliate will, without prior written consent of Sales Agent, directly or indirectly, own, manage, operate, control, or engage or participate in the ownership, management, operation, or control of, or be connected as a shareholder, partner, or joint venturer with, any business or organization which engages in the business of television broadcasting within the Grade B contour of the analog broadcast signal of the Station or the 42 dBu noise-limited contour of the DTV signal of the Station. Notwithstanding the foregoing, the ownership of an equity interest of five percent (5%) or less of a publicly traded company that does not otherwise constitute control over such company shall not be prohibited.

5.7 Cooperation. Upon the occurrence of (a) this Agreement being declared invalid or illegal in whole or substantial part by an order or decree of an administrative agency or court of competent jurisdiction which is not subject to appeal or further administrative or judicial

review, or (ii) a change in the Communications Laws that causes this Agreement in its entirety to be in violation thereof and the applicability of such change is not subject to appeal or further administrative review, the parties will use their commercially reasonable efforts and negotiate in good faith to modify this Agreement to the minimum extent necessary so as to comply with such order or decree or the Communications Laws, without material economic detriment to either party, and to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that this Agreement may continue to be effectuated as originally contemplated to the fullest extent possible.

SECTION 6. REPRESENTATIONS AND WARRANTIES OF LICENSEE

Licensee represent and warrant to Sales Agent as follows:

6.1 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Licensee have been duly authorized by all necessary limited liability company action on the part of Licensee. This Agreement has been duly executed and delivered by Licensee and constitutes the legal, valid, and binding obligation of Licensee, enforceable against Licensee in accordance with its terms except as the enforceability hereof may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

6.2 Absence of Conflicting Agreements or Consents. The execution, delivery, and performance by Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) do not require the consent of any governmental or regulatory authority or any other Person; (b) will not conflict with the organizational documents of Licensee; (c) to Licensee's knowledge, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Licensee; (d) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, license, or permit to which Licensee is a party or by which Licensee is bound; and (e) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station.

6.3 Authorizations. On and after the Effective Date, Licensee will hold the FCC Licenses for the lawful operation of the Station and the conduct of the business of the Station in the manner and to the full extent it is currently conducted. To Licensee's knowledge, based solely on the representations and warranties of Mystic Television of Scranton LLC and Mystic Television of Tallahassee LLC pursuant to the WSWB Purchase Agreement, the FCC Licenses have been validly issued and are in full force and effect, and none of the FCC Licenses is subject to any restriction or condition that would limit the operations of the Station as they are currently conducted. Except as set forth in Schedule 6.3, there is not now pending, or to Licensee's knowledge, threatened, any action by the FCC or by any other Person to revoke, cancel, suspend, refuse to renew, or modify any of the FCC Licenses. Licensee is in compliance in all material respects with the FCC Licenses and the Communications Laws.

SECTION 7. REPRESENTATIONS AND WARRANTIES OF SALES AGENT

Sales Agent represents and warrants to Licensee as follows:

7.1 Authorization and Binding Obligation. The execution, delivery, and performance of this Agreement by Sales Agent have been duly authorized by all necessary limited liability company action on the part of Sales Agent. This Agreement has been duly executed and delivered by Sales Agent and constitutes the legal, valid, and binding obligation of Sales Agent, enforceable against Sales Agent in accordance with its terms except as the enforceability hereof may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

7.2 Absence of Conflicting Agreements and Required Consents. The execution, delivery, and performance by Sales Agent of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) do not require the consent of any governmental or regulatory authority or any other Person; (b) will not conflict with the organizational documents of Sales Agent; (c) to Sales Agent's knowledge, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Sales Agent; and (d) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license or permit to which Sales Agent is a party or by which Sales Agent is bound.

SECTION 8. INDEMNIFICATION AND REMEDIES

8.1 Representations and Warranties. Any investigations by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty, or covenant contained herein. No notice or information delivered by Licensee shall affect Sales Agent's right to rely on any representation or warranty made by Licensee or relieve Licensee of any obligations hereunder as the result of a breach of any of its representations and warranties.

8.2 By Sales Agent. Sales Agent shall indemnify and hold Licensee and its officers, directors, stockholders, agents and employees harmless against any and all liability (i) for libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, violation of any applicable state or federal rule or regulation, or infringement of copyrights and proprietary rights resulting from or relating to the Advertisements, the Delivered Programming, or other material furnished by Sales Agent for broadcast on the Station, along with any fine or forfeiture imposed by the FCC because of the content of such material, and (ii) for the actions or inactions of Sales Agent's employees and representatives in performing their duties under this Agreement, or in acting outside the scope of their employment. Notwithstanding anything to the contrary in this Agreement, in no event shall Sales Agent be liable under this Section 8.2 for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with applicable law.

8.3 By Licensee. Licensee shall indemnify and hold Sales Agent and its officers, directors, stockholders, agents and employees harmless against any and all liability for libel,

slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from or relating to all material broadcast on the Station that is produced in whole or in part by Licensee or any Affiliate of Licensee or with respect to which Licensee had notice or otherwise should have been reasonably aware, other than the Delivered Programming, along with any fine or forfeiture imposed by the FCC because of the content of such material, and for the actions or inactions of Licensee's employees and representatives in performing their duties under this Agreement, or in acting outside the scope of their employment. If Sales Agent incurs any liability as a result of programming broadcast on the Station that is not furnished by Sales Agent and for which Sales Agent does not have recourse against Licensee under this Section 8.3, Licensee shall cooperate with Sales Agent and take such actions as Sales Agent shall reasonably request to enable Sales Agent to pursue, at Sales Agent's sole expense, such claims as may be available to Sales Agent against the supplier of such programming; *provided, however*, that Sales Agent acknowledges that Licensee make no representation or warranty regarding the availability of any such claim. Notwithstanding anything to the contrary in this Agreement, in no event shall Licensee be liable under this Section 8.3 for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with applicable law.

8.4 General. Indemnification shall include all liability, costs and expenses, including counsel fees (at trial and on appeal). The indemnification obligations under this Section shall survive any termination of this Agreement. The obligation of each party to indemnify is conditioned on the receipt of notice from the party making the claim for indemnification in time to allow the defending party to timely defend against the claim and upon the reasonable cooperation of the claiming party in defending against the claim. The party responsible for indemnification shall select counsel and control the defense, subject to the indemnified party's reasonable approval; *provided, however*, that no claim may be settled by an indemnifying party without the consent of the indemnified party, and *provided further* that, if an indemnifying party and a claimant agree on a settlement and the indemnified party rejects the settlement unreasonably, the indemnifying party's liability will be limited to the amount the claimant agreed to accept in settlement.

8.5 Services and Facilities Unique. The parties hereto agree that the services to be provided by each party to the other under this Agreement are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, to the extent permitted by the Communications Laws, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

8.6 Attorneys' Fees. In the event of a default by either party, which results in a lawsuit, or other proceeding for any remedy available under this Agreement, the prevailing party shall be entitled to reimbursement from the other party of its reasonable legal fees and expenses.

SECTION 9. MISCELLANEOUS

9.1 No Partnership or Joint Venture. This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership or a joint venture between the parties. Except as otherwise specifically provided in this Agreement, neither party shall be authorized to act as an agent of or otherwise to represent the other party.

9.2 Confidentiality. Each party hereto agrees that it will not at any time during or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other party. To the extent required by the Communications Laws, each party shall place a copy of this Agreement in its public inspection file and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

9.3 Assignment; Benefit; Binding Effect. Neither this Agreement nor any of the rights, interests or obligations of Licensee hereunder shall be assigned, encumbered, hypothecated or otherwise transferred without the prior written consent of Sales Agent; *provided, that*, Licensee may assign their rights and obligations under this Agreement to any assignee or successor in interest of Licensee, as the operator or licensee of the Station, upon written notice to Sales Agent. Sales Agent shall have the unrestricted right to assign to any person or entity all or any part of its rights, interests and obligations hereunder without Licensee's consent. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

9.4 Force Majeure. Any delay or interruption in the broadcast operation of the Station, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action, riots, natural disasters or any other cause not reasonably within the control of either party shall not constitute a breach of this Agreement, and neither party shall be liable to the other for any liability or obligation with respect thereto.

9.5 Further Assurances. The parties shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

9.6 Press Release. Neither party shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby without the prior written consent of the other party; *provided, however*, that nothing contained herein shall prevent either party from promptly making all filings with governmental authorities as may, in its judgment, be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

9.7 Unenforceability. If one or more provisions of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law, except that, if such invalidity or unenforceability should change the basic economic positions of the parties, they shall negotiate in good faith such changes in other terms as shall be

practicable in order to restore them to their prior positions. In the event that the FCC alters or modifies its rules or policies in a fashion which would raise substantial and material questions as to the validity of any provision of this Agreement, the parties shall negotiate in good faith to revise any such provision of this Agreement in an effort to comply with all applicable FCC Rules while attempting to preserve the intent of the parties as embodied in the provisions of this Agreement. The parties hereto agree that, upon the request of either of them, they will join in requesting the view of the staff of the FCC, to the extent necessary, with respect to the revision of any provision of this Agreement in accordance with the foregoing.

9.8 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as follows:

If to Licensee:

MPS Media of Scranton, LLC
75 Baer Road
Shickshinny, PA 18655
Attn: Eugene Brown

With a copy (which shall not constitute notice) to:

Hogan & Hartson
555 13th Street, N.W.
Washington, DC 20004
Attn: Mace Rosenstein, Esq.
Fax: (202) 637-5910

If to Sales Agent:

New Age Media of Pennsylvania, LLC
46 Public Square
Wilkes-Barre, PA 18701
Attn: John Parente
Fax: (570) 970-5604

With a copy (which shall not constitute notice) to:

Leventhal Senter & Lerman PLLC
2000 K Street, N.W.
Suite 600
Washington, DC 20006
Attn: Sally A. Buckman
Fax: (202) 293-7783

9.9 Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State of Delaware without reference to the conflict of laws principles thereof.

9.10 Captions. The captions in this Agreement are for convenience only and shall not be considered a part of, or effect the construction or interpretation of any provision of, this Agreement.

9.11 Gender and Number. Words used herein, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine, or neuter, and any other number, singular or plural, as the context requires.

9.12 Counterparts and Facsimile Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Agreement shall be legally binding and effective upon delivery of facsimile signatures.

9.13 Entire Agreement. This Agreement and the attachments and schedules hereto collectively represent the entire understanding and agreement among the parties hereto with respect to the subject matter hereof. No term or provisions hereof may be changed, modified, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by all parties hereto. No waiver of any of the provisions or conditions of this Agreement or of any of the rights, powers or privileges of a party hereto shall be effective or binding unless in writing and signed by the party claimed to have given or consented to such waiver.

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IN WITNESS WHEREOF, this Joint Sales and Shared Services Agreement has been executed by the parties hereto effective as of the date first written above.

LICENSEE:

MPS MEDIA OF SRANTON, LLC

By: 

Name: Eugene Brown

Title: Sole Member

SALES AGENT:

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By: 

Name: John Parente

Title: Chief Executive Officer

SCHEDULE 3.1

1. **Sales Commission.** Licensee shall pay Sales Agent, on the first Business Day of each month, an amount equal to thirty percent (30%) of the revenue generated by the sale of the Advertising Inventory in the month preceding the immediately previous month.

2. **Services Fee.** Licensee shall pay to Sales Agent a monthly Services Fee equal to Fifty Thousand Dollars (\$50,000). The Services Fee shall be payable monthly in cash, in arrears, on the first Business Day of the second month that follows the month to which such Services Fees relates, and shall be prorated, if necessary, for any partial months.

3. **National Rep Contract.** Except as provided in this Section 3, national spot advertising broadcast on the Station shall be sold by Petry Television, Inc. ("Petry") pursuant to the terms of the Representation Agreement dated as of February 25, 2003, between Petry and Sales Agent, as assignee of Pegasus Broadcast Television, Inc. (the "Petry Rep Agreement"). Notwithstanding the foregoing, Sales Agent may, at its option and expense, obtain a termination of the Petry Rep Agreement and enter into a representation agreement with such other national rep firm as Sales Agent may select subject to Licensee's reasonable approval, and such other firm shall have the right to sell the Station's national spot advertising.

4. **Licensee Expenditures.** Nothing in this Schedule 3.1 shall restrict Licensee from entering into any contract or commitment or incurring any obligation or liability in connection with the acquisition of programming for broadcast on the Station or the employment of such personnel as Licensee deems to be necessary or appropriate for the operation of the Station.

SCHEDULE 4.2

SCHEDULE OF DELIVERED PROGRAMMING

Commencing on the Base Date, Sales Agent shall be permitted to provide Delivered Programming constituting in the aggregate up to 25 hours of the weekly programming time on the Station, but in no event shall the aggregate duration of such programming exceed 15% of the Station's broadcast hours for any week. Notwithstanding anything herein to the contrary, the obligations of Licensee set forth in this Schedule 4.2 shall be subject to Licensee's rights under Sections 4.2, 4.5 and 4.10 of this Agreement.

At any time and from time to time following the Base Date, Sales Agent may designate by written notice to Licensee the days and times during which Licensee shall broadcast Delivered Programming on the Station, and Licensee shall commence the broadcast of such Delivered Programming no later than 14 days following its receipt of such notice, so long as (i) the duration of such Delivered Programming, together with the duration of all other Delivered Programming broadcast on the Station, does not exceed 15% of the Station's weekly broadcast schedule and (ii) the broadcast of such Delivered Programming during the days and times specified by Sales Agent shall not conflict with the contractual obligations of Licensee. The foregoing notwithstanding, Licensee shall make available to Sales Agent the time period of 10 p.m. to 11 p.m. Sunday through Saturday for the broadcast of Sales Agent's news programming, subject to Section 4.5 of the Agreement.

If the FCC changes its rules or policies in a manner that allows Sales Agent to provide Delivered Programming that exceeds 15% of the Station's broadcast hours for any week, at the request of Sales Agent, Licensee shall cooperate in good faith with Sales Agent to agree upon one or more additional time periods during which Sales Agent shall be permitted to provide additional Delivered Programming for broadcast on the Station, but in no event shall the aggregate duration of all Delivered Programming, including such additional time periods, exceed the total amount of Delivered Programming as may be permitted by the FCC after giving effect to such change in the FCC Rules.

Upon no less than 14 days prior written notice from Sales Agent to Licensee, Sales Agent may change the date and times that the Delivered Programming shall be broadcast on the Station and Licensee agrees to broadcast the Delivered Programming in accordance with such revised schedule.

SCHEDULE 4.5

POLICY STATEMENT FOR BROADCAST MATERIAL

Sales Agent agrees to cooperate with Licensee in the broadcasting of programs of high quality and, for this purpose, to observe the following policies in the preparation, writing and production of Broadcast Material.

1. **CONTROVERSIAL ISSUE.** Any discussion of controversial issues of public importance shall be reasonably balanced with the presentation of contrasting viewpoints in the course of overall programming; no attacks on the honesty, integrity, or like personal qualities of any person or group of persons shall be made; and Station programs (other than public forum or talk features) are not to be used as a forum for editorializing about individual candidates. If such events occur, Licensee may require that responsive programming be aired.
2. **NO PLUGOLA OR PAYOLA.** The mention of any business activity or "plug" for any commercial, professional, or other related endeavor, except where contained in an actual commercial message of a sponsor, is prohibited.
3. **ELECTION PROCEDURES.** At least ninety (90) days before the start of any primary or regular election campaign, Sales Agent will clear with the Licensee the rate Sales Agent will charge for the time to be sold to candidates for public office and/or their supporters to make certain that the rate charged is in conformance with the applicable law and the Licensee's policy.
4. **PROGRAMMING PROHIBITIONS.** Sales Agent shall not knowingly broadcast any of the following programs or announcements:
 - (a) False Claims. False or unwarranted claims for any product or service.
 - (b) Unfair Imitation. Infringements of another advertiser's rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.
 - (c) Commercial Disparagement. Any unlawful disparagement of competitors or competitive goods.
 - (d) Obscenity/Indecency/Profanity. Any programs or announcements that are obscene or indecent, as those terms are interpreted and applied by the FCC. Any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, either in theme or treatment.
 - (e) Price Disclosure. Any price mentions except as permitted by Licensee's policies current at the time.

- (f) Unauthorized Testimonials. Any testimonials which cannot be authenticated.
 - (g) Descriptions of Bodily Functions. Any continuity which describes in a repellent manner internal bodily functions or symptomatic results or internal disturbances, and no reference to matters which are not considered acceptable topics in social groups.
 - (h) Conflict Advertising. Any advertising matter or announcement which may, in the reasonable opinion of Licensee, be injurious or prejudicial to the interest of the public, the Station, or honest advertising and reputable business in general.
 - (i) Fraudulent or Misleading Advertisement. Any advertisement matter, announcement, or claim which Sales Agent knows to be fraudulent, misleading, or untrue.
5. **LOTTERIES**. Announcements giving any information about lotteries or games prohibited by federal or state law or regulation are prohibited.
6. **RELIGIOUS PROGRAMMING RESTRICTIONS**. The subject of religion and references to particular faiths, tenets, and customs shall be treated with respect at all times. Broadcast Material shall not be used as medium for attack on any faith, denomination, or sect or upon any individual or organization.
7. **CREDIT TERMS ADVERTISING**. Any advertising of credit terms shall be made over the Station in accordance with all applicable federal and state laws or regulations.
8. **NO ILLEGAL ANNOUNCEMENTS**. No announcements or promotion prohibited by federal or state law or regulation shall be made over the Station. At Licensee's request, any game, contest, or promotion relating to or to be presented over the Station must be fully stated and explained in advance to Licensee, which reserves the right in its sole discretion to reject any game, contest, or promotion.
9. **LICENSEE DISCRETION PARAMOUNT**. In accordance with Licensee's responsibility under the Communications Act of 1934, as amended, and the FCC Rules, Licensee reserves the right to reject or terminate any Broadcast Material proposed to be presented or being presented over the Station which is in conflict with the Licensee's policy or which in the reasonable judgment of Licensee would not serve the public interest.
10. **PROGRAMMING IN WHICH SALES AGENT HAS A FINANCIAL INTEREST**. Sales Agent shall advise Licensee with respect to any Broadcast Material concerning goods or services in which Sales Agent has a material financial interest. Any announcements for such goods and services for which Sales Agent charges less than its regular rate shall clearly identify Sales Agent's financial interest.

11. MISCELLANEOUS.

(a) Waiver. To the extent legally permissible, the parties may jointly waive any of the foregoing policies in specific instances if, in their opinion, good broadcasting in the public interest is served.

(b) Prior Consent. In any case where questions of policy or interpretation arise, Sales Agent will attempt in good faith to submit the same to Licensee for decision before making any commitments in connection therewith.

SCHEDULE 4.7

TRADE SCHEDULE

See Attachment

**FIRST AMENDMENT TO JOINT SALES AND
SHARED SERVICES AGREEMENT**

This First Amendment to **JOINT SALES AND SHARED SERVICES AGREEMENT** (this "SSA") is dated as of September 1, 2007, by and between MPS Media of Scranton License, LLC, a Delaware limited liability company ("Licensee"), and New Age Media of Pennsylvania, LLC ("Sales Agent").

WHEREAS, Licensee and Sale Agent are parties to that certain SSA dated April 2, 2007 ("Effective Date") with respect to certain sales activities and shared services for television station WSWB-TV and WSWB-DT (Scranton, PA); and

WHEREAS, Licensee and Sales Agent desire to clarify and amend certain provisions of the SSA consistent with the rules and regulations of Federal Communications Commission, all of which shall remain in full force and effect as of the Effective Date.

NOW, THEREFORE, for good and valuable considerations the receipt and the adequacy of which are hereby acknowledged, Licensee and Sales Agent, intending to be legally bound, agree as follows:

1. In Section 1.1, the definition of "Priority Obligations" shall be amended and restated in its entirety as follows:

"Priority Obligations" means, for any period, in order of priority, (i) amounts necessary for Licensee to pay its expenses, if any, incurred in exercising its duties with respect to the Station, including without limitation, costs of insurance, programming, bookkeeping, FCC compliance and property maintenance, cash payments due for Priority Capital Expenditures, or any other matters that the parties may agree to in writing; (ii) monthly management fee to Eugene Brown in an amount equal to REDACTED REDACTED and (iii) such reasonable reserves as Licensee shall establish with respect to contingent liabilities and Priority Capital Expenditures requirements.

2. Section 3 (Consideration) shall be amended and restated in its entirety as follows:

SECTION 3. CONSIDERATION

(a) Subject to Section 3(b), Licensee shall be entitled to all revenues generated by the sale of Advertising Inventory. Sales Agent is responsible for collecting all of the Station's accounts receivable.

(b) During the term of this Agreement, Licensee shall pay and Sales Agent shall be entitled to commissions as set forth in Schedule 3.1 ("Sales Commission"), provided, that, the payment of the Sales Commission in any month shall not exceed the amount by which (i) the sum of (A) Licensee's cash on hand at the beginning of each month and (B) the cash flow generated by the Station during such month, exceeds (ii) the sum of (A)

Licensee's Priority Obligations for such month and (B) the Services Fee to be paid by Licensee in such month.

(c) In consideration for the Shared Services provided pursuant to this Agreement, Sales Agent shall be entitled to receive from Licensee a monthly Services Fee, as defined and in accordance with the terms and conditions set forth in Schedule 3.1, provided that, the payment of the Services Fees in any month shall not exceed the amount by which the sum of (A) Licensee's cash on hand at the beginning of each month and (B) the cash flow generated by the Station during such month exceeds Licensee's Priority Obligations for such month. Licensee shall retain all other revenues, except as provided in Section 3(b) of this Agreement.

(d) By way of clarification, and notwithstanding anything herein to the contrary, it is understood by the parties that the amounts payable under Sections 3(b) and 3(c) herein shall be calculated after Licensee's deduction for (1) all operating expenses, including its Priority Obligations, and (2) all depreciation and amortization allowable for federal income tax purposes.

(e) In the event that the Sales Commission or Service Fee payment obligations of Licensee under Section 3(b) or Section 3(c) are not paid in full at the end of each month ("Shortfall Liability"), then such Shortfall Liability shall be carried forward by Licensee to subsequent year(s). The Shortfall Liability will remain only a contingent liability, and not a debt obligation, of Licensee, which will only be payable upon notice by Sales Agent and in any such subsequent year where a Shortfall Liability has not occurred.

3. Paragraph 2 of Schedule 3.1 (Service Fee) shall be amended to reflect a Service Fee of REDACT per month to commence effective as of January 1, 2008.

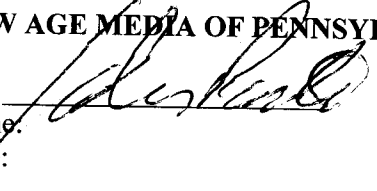
Except as expressly modified herein, all other terms, covenants and conditions contained in the SSA shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have entered into this First Amendment on day and year first written above.

MPS MEDIA OF SCRANTON LICENSE, LLC

By: 
Name:
Title:

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By: 
Name:
Title:

**SECOND AMENDMENT TO JOINT SALES AND
SHARED SERVICES AGREEMENT**

This Second Amendment to **JOINT SALES AND SHARED SERVICES AGREEMENT** (the "**JSA**") is dated as of September 1, 2013, by and between MPS Media of Scranton License, LLC, a Delaware limited liability company ("**Licensee**"), and New Age Media of Pennsylvania, LLC ("**Sales Agent**"),

WHEREAS, Licensee and Sales Agent are parties to that certain JSA dated as of March 31, 2007, as amended by that First Amendment to Joint Sales and Shared Services Agreement dated as of September 1, 2007, with respect to certain sales activities and shared services for television station WSWB (Scranton, Pennsylvania);

WHEREAS, entities under common ownership and control with Licensee or Sales Agent are also parties to a Joint Sales and Shared Services Agreement dated as of September 1, 2008 by and between MPS Media of Gainesville License, LLC and New Age Media of Gainesville, LLC with respect to certain sales activities and shared services for television station WNBW (Gainesville, Florida); a Joint Sales and Shared Services Agreement dated as of March 31, 2007, as amended September 1, 2007, by and between MPS Media of Tallahassee License, LLC and New Age Media of Tallahassee, LLC with respect to certain sales activities and shared services for television station WTLF (Tallahassee, Florida); and a Joint Sales and Shared Services Agreement dated as of April 1, 2008, by and between MPS Media of Tennessee License, LLC and New Age Media of Tennessee, LLC with respect to certain sales activities and shared services for television station WFLI (Chattanooga, Tennessee) (collectively, the "**Other Market JSAs**"); and

WHEREAS, Licensee and Sales Agent desire to amend certain provisions of the JSA consistent with the rules and regulations of the Federal Communications Commission;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Licensee and Sales Agent, intending to be legally bound hereby, agree as follows:

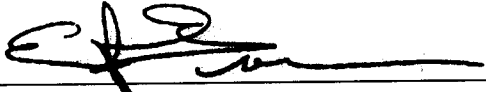
Section 3 (Consideration) of the JSA shall be amended to restate in its entirety Section 3(e) as follows:

- (e) In the event that the Sales Commission or Service Fee payment obligations of Licensee under Section 3(b) or Section 3(c) are not paid in full at the end of each month ("**Shortfall Liability**"), then such Shortfall Liability shall be carried forward by Licensee to subsequent year(s). The Shortfall Liability will remain only a contingent liability, and not a debt obligation, of Licensee, which shall only be payable upon notice by Sales Agent in any subsequent year where a Shortfall Liability has not occurred. The Shortfall Liability under this Agreement and under the Other Market JSAs shall be calculated, and shall be payable, on a combined basis.

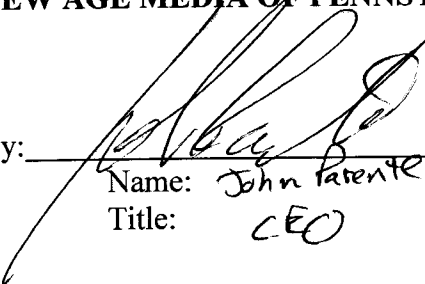
Except as expressly modified herein, all other terms, covenants and conditions contained in the JSA shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have entered into this Second Amendment on the date first set forth above.

MPS MEDIA OF SCRANTON LICENSE, LLC

By: 
Name: Eugene Brown
Title: Sole Member

NEW AGE MEDIA OF PENNSYLVANIA, LLC

By: 
Name: John Parente
Title: CEO

THIRD AMENDMENT TO JOINT SALES AND SHARED SERVICES AGREEMENT

This Third Amendment ("Amendment") is made as of October 31, 2014 to the Joint Sales and Shared Services Agreement (the "Agreement") dated as March 31, 2007, by and between MPS Media of Scranton License, LLC (formerly named MPS Media of Scranton, LLC) ("Licensee") and New Age Media of Pennsylvania, LLC ("Sales Agent"), as amended by that First Amendment to the Agreement dated as of September 1, 2007 and the Second Amendment to the Agreement dated September 19, 2013. Licensee and Sales Agent are collectively referred to herein as the "Parties."

Recitals

WHEREAS, the Parties have agreed to amend certain provisions and schedules of the Agreement;

NOW THEREFORE, in consideration of the agreements made herein and for other consideration deemed sufficient by the Parties and intended to be legally bound, the Parties hereby agree as follows:

1. Recital C shall be deleted in its entirety and replaced with "reserved".
2. Section 1.1 of the Agreement shall be amended to revise and restate the definition of the term "Priority Obligations" to read in full as follows:

"Priority Obligations" means, for any period, in order of priority, (i) amounts necessary for Licensee to pay its expenses, if any, incurred in exercising its duties with respect to the Station, including, without limitation, costs of insurance (including, but not limited to, the premium costs for health care insurance of Eugene Brown and his spouse, except to the extent such costs are paid by Sales Agent or an Affiliate of Sales Agent to an Affiliate of Licensee), programming, bookkeeping, FCC compliance and property maintenance, cash payments due for Priority Capital Expenditures, or any other matters that the parties may agree to in writing, (ii) such reasonable reserves as Licensee shall establish with respect to contingent liabilities and Priority Capital Expenditures requirements, and (iii) incremental federal, state and local income taxes incurred by Eugene Brown (or any successor member(s) of Licensee) in respect of the income of Licensee or its member(s)' direct or indirect interest in Licensee.

3. Section 2.1 of the Agreement shall be amended and restated in its entirety, as follows:

2.1. Term. The term of this Agreement (the "Term") shall commence on the date hereof ("Effective Date") and, subject to Section 2.2 below, shall terminate on the eighth anniversary of the Effective Date; provided that the termination date shall be automatically extended for up to five additional eight-year terms, unless the Sales Agent gives Licensee at least six months prior written notice of termination

prior to the end of the then applicable Term, and unless this Agreement is terminated in accordance with its terms pursuant to 2.2 below.

4. Section 2.3 of the Agreement shall be amended by adding a new Section 2.3(f), as follows:

(f) At Licensee's sole discretion, Licensee shall have the option to surrender to the FCC the FCC Licenses. Licensee shall provide at least 90 days' notice to Sales Agent of its intent to surrender the FCC Licenses. In the event Licensee surrenders the FCC Licenses, and notwithstanding anything in this Agreement to the contrary, Licensee shall provide Sales Agent with the opportunity to assume any contracts related to the operation of the Station existing at the time of such surrender and Sales Agent shall indemnify Licensee for any termination penalty or other liability imposed on Licensee as a result of termination of any such contract.

5. Section 4.1 shall be amended by deleting the following: "including the New Age Stations, provided however, that under no circumstances will advertisers be required to purchase time on the Station and the New Age Stations together".

6. Section 4.2 shall be amended by deleting the following sentence: "All Delivered Programming shall be in conformity in all material respects with standards established by Licensee and consistent with similar programming broadcast on the New Age Stations" and shall be replaced with "All Delivered Programming shall be in conformity in all material respects with standards established by Licensee and consistent with similar programming broadcast on Sales Agent's other stations."

7. Section 4.3(a)(i) shall be amended by deleting the following: "If and to the extent Sales Agent elects, in its sole discretion, to provide some or all of the services to be provided by Sales Agent hereunder from the studio facility used by Sales Agent for the New Age Stations (the "Studio Building")," and shall be replaced with "If and to the extent Sales Agent elects, in its sole discretion, to provide some or all of the services to be provided by Sales Agent hereunder from the studio facility used by Sales Agent in the Market (the "Studio Building"),"

8. Section 4.5 shall be amended by deleting the following: "Licensee is familiar with the operating standards followed by Sales Agent in the operation of the New Age Stations, which standards are consistent with those employed by Licensee in the operation of the Station." and shall be replaced with "Licensee is familiar with the operating standards followed by Sales Agent in the operation of its other stations, which standards are consistent with those employed by Licensee in the operation of the Station."

9. Section 4.6 shall be amended by deleting the following: "and consistent with Sales Agent's operating policies applicable to the broadcast of PSAs on the New Age Stations." and shall be replaced with "and consistent with Sales Agent's operating policies applicable to the broadcast of PSAs on its other stations."

10. Any time after the date hereof, upon ten (10) day notice to Sales Agent, each of Section 4.2 and Schedule 4.2 of the Agreement shall also be amended and restated in its entirety as follows:

4.2. Delivered Programming. During the Term, Licensee shall make available broadcast time on the Station for the broadcast of Sales Agent's programs (the "Delivered Programming") for up to twenty four (24) hours per day, seven days per week, except for: (a) downtime occasioned by routine maintenance consistent with prior practice; (b) the times set forth on Schedule 4.2 hereto and at other times mutually agreeable to Licensee and Sales Agent during which time Licensee may broadcast programming designed to address the concerns, needs and interests of the Station's viewers, children's educational/informational programming, or locally produced programming; (c) times when Sales Agent's programs are not accepted or are preempted by Licensee in accordance with this Agreement; and (d) times when the Station is not broadcasting because of force majeure events (as set forth in 9.4 below). During the Term, Sales Agent shall transmit the Delivered Programming to the Station's facilities at Sales Agent's expense in a manner that ensures that the Delivered Programming meets technical and quality standards at least equal to those of the Station's broadcasts prior to the Effective Date. Notwithstanding anything herein to the contrary, during the Term, the Station shall continue to broadcast any programming required to be aired under the terms of the Station's programming contracts.

SCHEDULE 4.2 - PUBLIC INTEREST PROGRAMMING

To the extent Sales Agent's obligation under Section 4.2 of the Agreement to furnish or insert within the Delivered Programming the children's educational/informational programming, the programming designed to address the concerns, needs and interests of the Station's viewers and the locally produced programming as required by the Communications Laws is not satisfied, Licensee may reserve up to two hours per week at times mutually agreeable to Licensee and Sales Agent for the broadcast of such programming on the Station.

11. Section 8.2 of the Agreement shall be amended by adding, after clause (ii), a new clause (iii) as follows: "and (iii) pursuant to Section 2.3(f) hereof."

12. Except as amended by this Amendment, the Agreement, and the exhibits and schedules thereto, shall remain in full force and effect, enforceable in accordance with their respective terms.

13. This Amendment may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Delivery of an executed counterpart of a signature page of this Amendment by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Amendment.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first written above.

MPS MEDIA OF SCRANTON
LICENSE, LLC

By: 

Eugene Brown, Sole Member

NEW AGE MEDIA OF PENNSYLVANIA,
LLC

By: 

John Parente, Chief Executive Officer

JOINT AMENDMENT TO JOINT SALES AND SHARED SERVICES AGREEMENTS

This Joint Amendment to Joint Sales and Shared Services Agreements (this "Joint Amendment") is made as of September 1, 2015 by and among MPS Media of Gainesville License, LLC ("MPS Gainesville"), MPS Media of Tallahassee License, LLC ("MPS Tallahassee"), MPS Media of Scranton, LLC ("MPS Scranton") (MPS Gainesville, MPS Tallahassee and MPS Scranton being hereinafter collectively called "MPS"), and Sinclair Television Group, Inc. ("Sinclair").

WITNESSETH THAT:

WHEREAS, MPS Gainesville entered into a Joint Sales and Shared Services Agreement dated as of September 1, 2008, with New Age Media of Gainesville, LLC, as amended by the First Amendment thereto dated as of September 17, 2013 and by the Second Amendment thereto dated as of October 31, 2014 (said agreement, as so amended, being hereinafter called the "Gainesville Agreement"); and

WHEREAS, MPS Tallahassee entered into a Joint Sales and Shared Services Agreement dated as of March 31, 2007, with New Age Media of Tallahassee, LLC, as amended by the First Amendment thereto dated as of September 1, 2007, by the Second Amendment thereto dated as of September 19, 2013 and by the Third Amendment thereto dated as of October 31, 2014 (said agreement, as so amended, being hereinafter called the "Tallahassee Agreement"); and

WHEREAS, MPS Scranton entered into a Joint Sales and Shared Services Agreement dated as of March 31, 2007, with New Age Media of Pennsylvania, LLC, as amended by the First Amendment thereto dated as of September 1, 2007, by the Second Amendment thereto dated as of September 19, 2013 and by the Third Amendment thereto dated as of October 31, 2014 (said agreement, as so amended, being hereinafter called the "Scranton Agreement," and the Scranton Agreement, the Tallahassee Agreement and the Gainesville Agreement are hereinafter collectively called the "Agreements"); and

WHEREAS, Sinclair is the successor in interest to New Age Media of Gainesville, LLC, New Age Media of Tallahassee, LLC and New Age Media of Pennsylvania, LLC pursuant to assignments dated October 31, 2014; and

WHEREAS, the parties hereto desire to modify the Agreements in order to eliminate the rights of MPS provided therein to surrender their respective FCC licenses, all upon the terms and in consideration of the further changes to the Agreements set forth in this Joint Amendment;

NOW, THEREFORE, in consideration of the premises, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Section 1.1 of each of the Agreements is hereby amended to revise and restate the definition of the "Priority Obligations" to read in full as follows:

“Priority Obligations” means, for any period, in order of priority, (i) amounts necessary for Licensee to pay its expenses, if any, incurred in exercising its duties with respect to the Station, including, without limitation, costs of insurance (including, but not limited to, the premium costs for health care insurance of Eugene Brown and his spouse, except to the extent such costs are paid by Sales Agent or an Affiliate of Sales Agent to an Affiliate of Licensee), programming, bookkeeping, FCC compliance and property maintenance, cash payments due for Priority Capital Expenditures, or any other matters that the parties may agree to in writing, (ii) a monthly distribution or monthly management fee to Eugene Brown in the amount of One Thousand Four Hundred Dollars (\$1,400) and, if such sum is paid as a management fee (rather than a distribution), incremental federal, state and local income taxes thereon, (iii) such reasonable reserves as Licensee shall establish with respect to contingent liabilities and Priority Capital Expenditures requirements, and (iv) incremental federal, state and local income taxes incurred by Eugene Brown (or any successor member(s) of Licensee) in respect of the income of Licensee or its member(s)’ direct or indirect interest in Licensee.

2. Section 2.3 of each of the Agreements is hereby amended by deleting Section 2.3(f) thereof.

3. The first sentence of Section 8.2 of each Agreement is hereby amended by adding, after clause (ii), a new clause (iii) as follows:

“and (iii) for all other liabilities based upon or arising out of the operation of the Station except to the extent caused by the willful misconduct of the member(s) of Licensee.”

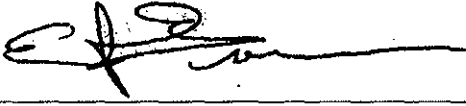
4. Except as amended by this Joint Amendment, each of the Agreements, and the exhibits and schedules thereto, shall remain in full force and effect, and shall be enforceable in accordance with their respective terms.

5. This Joint Amendment may be executed in any number of counterpart copies, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Joint Amendment by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Joint Amendment.

(Signature page follows)

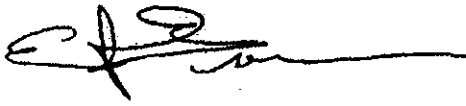
IN WITNESS WHEREOF, the parties hereto have executed this Joint Amendment to Joint Sales and Shared Services Agreements as of the date first above written.

MPS MEDIA OF GAINESVILLE LICENSE, LLC SINCLAIR TELEVISION GROUP, INC.

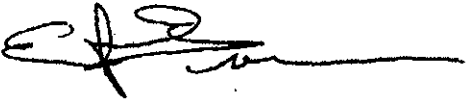
By: 
Eugene Brown, Sole Member

By: _____
Name: _____
Title: _____

MPS MEDIA OF TALLAHASSEE LICENSE, LLC

By: 
Eugene Brown, Sole Member

MPS MEDIA OF SCRANTON LICENSE, LLC

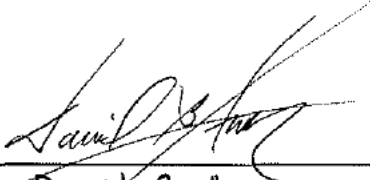
By: 
Eugene Brown, Sole Member

IN WITNESS WHEREOF, the parties hereto have executed this Joint Amendment to Joint Sales and Shared Services Agreements as of the date first above written.

MPS MEDIA OF GAINESVILLE LICENSE, LLC

SINCLAIR TELEVISION GROUP, INC.

By: _____
Eugene Brown, Sole Member

By: 
Name: David B. Amy
Title: VP and Secretary

MPS MEDIA OF TALLAHASSEE LICENSE, LLC

By: _____
Eugene Brown, Sole Member

MPS MEDIA OF SCRANTON LICENSE, LLC

By: _____
Eugene Brown, Sole Member

PURCHASE OPTION AGREEMENT

This Purchase Option Agreement ("Agreement"), dated as of this 2nd day of April, 2007 by and among Eugene Brown ("Owner"), MPS Media of Scranton, LLC ("MPS") and New Age Media of Pennsylvania, LLC ("New Age"),

WITNESSETH THAT:

WHEREAS, Owner is the sole member of MPS, owning all of the issued and outstanding membership interests of MPS (the "Membership Interests"); and

WHEREAS, New Age is a wholly owned subsidiary of CP Media, LLC ("CP Media"); and

WHEREAS, in order to induce CP Media to provide credit support in the form of guarantees to MPS, Owner has agreed to provide New Age the option rights provided for herein;

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Grant of Option. On the terms and subject to the conditions of this Agreement, Owner hereby grants to New Age an irrevocable, assignable option (the "Option") to purchase from Owner the Membership Interests, exercisable during the Exercise Period (as hereinafter defined), by written notice to Owner in accordance with Section 3 below.

2. Exercise Price. Upon the exercise of the Option, subject to Section 3(c) below, New Age shall be legally obligated to purchase the Membership Interests from Owner, and Owner shall be legally obligated to sell the Membership Interests to New Age, at a purchase price (the "Exercise Price") described on Schedule A hereto. The Exercise Price shall be payable as provided in Section 4 below.

3. Exercise of Option. (a) The Option may be exercised by New Age, in whole and not in part, by delivering to Owner a written notice of exercise (the "Option Notice") prior to the expiration of the Exercise Period. Such Option Notice shall be signed by New Age, shall set forth the aggregate Exercise Price to be paid to Owner for the Membership Interests, and shall indicate the estimated date on which the Exercise Price will be delivered to Owner, which date shall not be later than fifteen (15) days after the estimated date that the Federal Communications Commission ("FCC") consents to the transfer of the Membership Interests, subject to receipt of the other Required Consents (as hereinafter defined) pursuant to Section 3(c) below.

(b) Subject to the terms and conditions set forth in this Agreement (including but not limited to Section 3(c) below), New Age shall have the right to exercise the Option at any time

during the Exercise Period. The term "Exercise Period" means the period commencing on the date hereof and terminating fifteen (15) years from the date hereof.

(c) Consummation of the sale of the Membership Interests to New Age shall occur as promptly as practicable after New Age's exercise of the Option and receipt or waiver of all necessary and duly obtained consents, approvals, authorizations, and registrations of or filings with (i) the FCC, (ii) if applicable, the Federal Trade Commission (the "FTC") and the Department of Justice (the "DOJ"), including any filing as may be required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and (iii) all other persons whose consent or approval is required prior to the valid transfer of the Membership Interests, other than such consents that failure of which to obtain will not have a material adverse effect on the MPS's assets, liabilities, business or financial condition (collectively, the "Required Consents"). The receipt or waiver by New Age of the Required Consents shall be a condition precedent to its obligation to purchase the Membership Interests.

4. Transfer of the Membership Interests; Payment of Exercise Price. Within five days after Owner's receipt of written notice of the receipt or waiver by New Age of all Required Consents, Owner shall execute and deliver an instrument of assignment (the "Assignment") in form and substance satisfactory to New Age, which instrument shall fully and finally transfer the Membership Interests from Owner to New Age, and MPS shall make an entry in its books and records that the ownership of all Membership Interests has been transferred to New Age. The date of such delivery of the Assignment is herein called the "Closing Date." Within 90 days after the Closing Date, MPS shall cause its independent accountants to deliver to New Age and Owner copies of (a) the balance sheet of MPS, prepared as of the Closing Date in accordance with generally accepted accounting principles consistently applied by MPS, and (b) a calculation of the Exercise Price. Absent manifest error, the calculation of such independent accountants shall be binding on the New Age and Owner, and New Age shall pay the Exercise Price (by check or wire transfer) to Owner within 15 days after receipt of the foregoing financial statements and calculation.

5. Representations of New Age. New Age hereby represents and warrants to the MPS, which representations and warranties shall survive the execution of this Agreement, as follows:

(a) Familiarity with Business; Access to Information. MPS made available to New Age prior to the execution of this Agreement the opportunity to ask questions of and receive answers from representatives of MPS concerning the terms and conditions of the offering of the Option, and to obtain any additional information necessary to verify the information relative to the financial data and business of MPS to the extent that such parties possessed such information or could acquire it without unreasonable effort or expense.

(b) No Registration. New Age understands that: (i) it must bear the economic risk of any investment in MPS for an indefinite period of time; (ii) neither the Option nor the Membership Interests have been registered under the Securities Act of 1933, as amended ("1933 Act"), and, therefore, they cannot be resold unless registered under the 1933 Act or unless an

exemption from such registration is available; (iii) MPS is under no obligation to register the Option or Membership Interests under the 1933 Act or any state securities laws or to supply the information which may be necessary to enable New Age to sell the Option or Membership Interests and has no present intention to do so; (iv) New Age will be responsible for any loss or expense that may be incurred by MPS by reason of any sale or disposition of the Option or Membership Interests by New Age which involves a violation of the 1933 Act; and (v) Rule 144 under the 1933 Act may not be available as a basis for exemption from registration of the Option or Membership Interests.

(c) Accredited Investor; Knowledge and Experience. New Age is an "accredited investor" within the meaning of the Regulation D promulgated under the 1933 Act. In addition, the knowledge and experience of New Age in financial and business matters are such that it (i) is capable of evaluating the risks of making any investment contemplated herein and has evaluated such risks; (ii) has determined that the Option and Membership Interests would be a suitable investment for it; (iii) is familiar with the business to be conducted by MPS and the industry in which such business is conducted; and (iv) is acquiring the Option and Membership Interests for investment purposes only and for its own account and not with any view toward the resale or other distribution thereof.

(d) State Securities Laws. New Age is organized in the State of Delaware and intends that the securities laws of that state shall govern this transaction.

(e) Reliance on Representations. New Age has full knowledge and is aware that MPS intends to rely on the representations and warranties made by New Age herein for the purposes of transferring the Membership Interests upon exercise of the Option.

6. Representations of Owner. Owner hereby represents and warrants to New Age, which representations and warranties shall survive the execution of this Agreement as follows:

(a) Authorization; No Conflicts. The execution, delivery and performance by him of this Agreement are within his power and authority. Except for the receipt of the Required Consents, which shall be obtained prior to closing upon the exercise of the Option, neither the execution and delivery by Owner of this Agreement nor the consummation of the transaction contemplated hereby will (i) violate or conflict with any applicable statute, law, ordinance, rule, regulation, order, judgment, writ, injunction, license, permit or decree applicable to him, (ii) conflict with or constitute a violation of or a default (or an event which with notice or lapse of time or both, would constitute a default) under, or will result in the termination of, or accelerate performance required by, any contract to which he is a party or to which any of his assets or properties are subject, or (iii) require the consent, authorization or approval of, or notice to or filing or registration with, any entity or person whatsoever.

(b) Enforceability. This Agreement constitutes the legally binding obligations of Owner and is enforceable against him in accordance with its terms.

7. Restrictions on Transfer. (a) Owner shall not transfer or assign this Agreement or any of the Membership Interests without New Age's prior written consent, except as provided in Section 7(b) below and except to a lender, as collateral in connection with a credit facility provided to MPS or in respect of which MPS has guaranteed indebtedness, and to transferees of such lenders pursuant to the exercise of rights and remedies under such assignment as collateral so long as each agreement governing the assignment as collateral requires the lenders to obtain any requisite FCC consent or approval prior to the exercise of rights and remedies.

(b) Owner may transfer the Membership Interests, or any portion thereof, to his spouse or lineal descendant(s) or to a trust for the benefit of his spouse or lineal descendant(s), provided however, that as a condition to the effectiveness of any transfer described in this Section 7(b), Owner shall cause any proposed transferee, by an instrument in writing satisfactory to New Age, to join in this Agreement and, with respect to the Membership Interests transferred, agrees to be bound as an "Owner" hereunder.

8. Restrictions on Issuance. Owner and MPS agree, and Owner agrees not to permit MPS to, issue any membership interests, other equity interests or options, warrants or other rights to acquire equity interests in MPS to any other Person without the prior written consent of New Age.

9. Covenant of the Parties. Each of Owner, MPS and New Age understands that prior approval of the FCC is necessary before transfer of the Membership Interests may occur. Further, each of Owner, MPS and New Age covenants and agrees to use his or its best efforts and to take all actions necessary or appropriate to effectuate the transfer of the Membership Interests upon exercise of the Option, including the preparation, execution and timely filing of any and all applications for consent to the transfer of control or assignment of MPS's FCC licenses or the Membership Interests necessary or appropriate under the FCC's, the FTC's, the DOJ's or any other governmental authority's rules and regulations (including any filing as may be required under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, if applicable) and any other filings or actions necessary or advisable to complete the FCC, FTC, DOJ or other approval process successfully. Should any such party fail or refuse to execute any application necessary or appropriate to obtain governmental (including FCC) or third party consent for the transfer of the Membership Interests or MPS's FCC license upon exercise of the Option, such party agrees that any such application may be executed on his or its behalf by the clerk of any competent jurisdiction pursuant to court order without notice to such party.

10. Enforceability; Remedies. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or its application to other persons or circumstances, shall not be affected thereby and each term and provision hereof shall be enforced to the fullest extent permitted by law. The parties acknowledge and agree that the rights of New Age under this Agreement are of a unique and special character and that any breach of any of the provisions hereof may cause the non-breaching party irreparable harm. Accordingly, the parties hereby expressly agree that New Age shall be entitled to specific performance as a remedy for any breach of this Agreement in addition to any other remedies to which New Age may be entitled at law or in equity.

11. Governing Law. This Agreement is intended to be performed in the State of Delaware without resort to its conflicts of law rules and shall be construed and enforced in accordance with and governed by the laws and decisions of such State applicable to agreements made and to be performed there. The parties hereby consent to the jurisdiction of the courts of the State of Delaware and the Federal District Court located therein for purposes of any litigation under this Agreement, and hereby waive any objections to venue in any such courts.

12. Termination. This Agreement and the Option created hereby shall terminate automatically without further action of the parties and shall be of no further force and effect from and the fifteenth anniversary of the date hereof, unless the Option shall have been exercised within 180 days prior to the expiration of the Exercise Period, in which case this Agreement shall continue for up to 180 days after such fifteenth anniversary date as necessary to obtain all Required Consents and consummate the purchase and sale of the Membership Interests.

13. Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Facsimile signatures shall be deemed to be original for all intents and purposes.

14. Entire Agreement. The parties hereto agree that this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements and understanding between them as to such subject matter; and there are no restrictions, agreements, arrangements, oral or written, between the parties relating to the subject matter hereof which are not fully expressed or referred to herein.

15. Modification and Waiver; Assignment. This Agreement and any provision hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by Owner, MPS and New Age. This Agreement and the rights hereunder may only be assigned by New Age to any third party that would not be prohibited from holding the Membership Interests by the FCC's Local Television Multiple Ownership Rule or any other FCC rule or regulation. Notwithstanding anything to the contrary contained herein, any party may assign this Agreement as collateral to its lender(s) or to an agent thereof or to transferees of such lenders pursuant to the exercise of rights and remedies under such assignment as collateral so long as each agreement governing the assignment as collateral requires the lenders to obtain any requisite FCC consent or approval prior to the exercise of rights and remedies thereunder.


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IN WITNESS WHEREOF, the parties hereto have caused this Purchase Option Agreement to be executed by their duly authorized officers as of the date first set forth above.

EUGENE BROWN

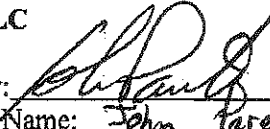


MPS MEDIA OF SCRANTON, LLC

By: 

Name: Eugene Brown
Title: Sole Member

**NEW AGE MEDIA OF PENNSYLVANIA,
LLC**

By: 

Name: John Parente
Title: President

Signature Page to Scranton Purchase Option Agreement

Schedule A

The Exercise Price shall be equal to the greater of:

REDACTED

SHARED SERVICES AGREEMENT

THIS SHARED SERVICES AGREEMENT (this “**Agreement**”) is entered into as of December 27, 2013, by and between Local TV Pennsylvania License, LLC (“**Station Licensee**”), a Delaware limited liability company (“**Station Licensee**”) and Tribune Broadcasting Company II, LLC, a Delaware limited liability company (“**Service Provider**”).

WITNESSETH:

WHEREAS, pursuant to that certain Asset Purchase Agreement (“**APA**”) dated July 15, 2013, by and among Tribune Company, a Delaware corporation (“**Tribune**”), Dreamcatcher Broadcasting LLC, a Delaware limited liability company (“**Station Parent**”), and Oak Hill Capital Partners II, L.P., a Delaware limited partnership, Station Parent obtained from Tribune Tribune’s right and obligation to acquire Station Licensee from Station Licensee’s parent company, Local TV Holdings LLC (“**Local TV**”);

WHEREAS, Station Licensee is the licensee of television broadcast station WNEP-TV, Scranton, Pennsylvania (FCC Facility ID No. 73318) (the “**Station**”);

WHEREAS, as of the date of this Agreement, the transfer of control of Station Licensee from Local TV Holdings LLC to Station Parent has been consummated;

WHEREAS, it is the parties’ expectation that Service Provider, with its experience and operating infrastructure, is capable of providing services to Station Licensee which will permit Station to maintain or improve the overall efficiency of the its operating processes and reduce costs, thereby helping the Station to serve the television viewing public in the Market; and

WHEREAS, in view of the desire of the parties to obtain important efficiencies through shared services provided by Service Provider, and the role such services are likely to provide in the efficient promotion of the business development of the Station, the parties hereto desire to enter into this Agreement;

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be bound legally, agree as follows:

1. ***Defined Terms.***

1.1 For purposes of this Agreement:

“**Affiliate**” means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, without limitation, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of directors (or comparable governing body) of such Person, or (B) owns a majority of the

beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

“Applicable Law” means any of the Communications Act, the FCC Rules, and all other federal, state and local constitutions, laws, statutes, codes, rules, regulations, ordinances, judgments, orders, decrees and the like of any governmental entity, including common law, applicable to the Station and its operations.

“Commencement Date” means the date of this Agreement.

“Dreamcatcher Credit Agreement” means that certain Credit Agreement, dated as of December 27, 2013, among Station Licensee, JPMorgan Chase Bank, N.A., and the other lenders party thereto.

“Dreamcatcher Lenders” means the “Secured Parties” as defined in the Dreamcatcher Credit Agreement.

“FCC” means the Federal Communications Commission or any successor agency thereto.

“FCC Rules” means the rules and published policies of the FCC as in effect from time to time.

“Market” means the Nielsen Designated Market Area of the Station.

“MVPD” means cable television systems, direct-broadcast-satellite systems, local exchange carriers, and all other multichannel video programming distributors that distribute the signals of a television broadcast station.

“Person” includes, without limitation, natural persons, corporations, business trusts, associations, limited liability companies, joint ventures, and partnerships.

“Third Party Claim” means any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding, or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement.

“Transaction Documents” means this Agreement and the other documents, agreements and instruments executed by the parties hereto and thereto in connection therewith.

“Tribune Credit Agreement” means that certain Credit Agreement, dated as of December 27, 2013, among Tribune Company, JPMorgan Chase Bank, N.A., and the other lenders party thereto.

“Tribune Lenders” means the “Secured Parties” as defined in the Tribune Credit Agreement.

1.2 In addition to the defined terms in the preamble, recitals and Section 1(a) hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<u>Term</u>	<u>Section</u>
Base SSA Amount	Schedule A
Broadcast Material	Section 6.6
Communications Act	Section 2
Defense Counsel	Section 15(c)(i)
Defense Notice	Section 15(c)(i)
Delivered Programming	Section 6.5
Direct Claim	Section 15(c)(v)
Indemnified Party	Section 15(c)(i)
Indemnifying Party	Section 15(c)(i)
Initial Term	Section 9.1
Loss	Section 15(a)
Lease Terms	Section 5
Performance Bonus	Schedule A
Policy Statement	Section 6.6
Service Provider Indemnified Party	Section 15(b)
Service Provider Premises	Exhibit 4
Services Fee	Section 7
Station Indemnified Party	Section 15(a)
Term	Section 9.2
Transition-Tail Period	Exhibit 4

2. ***General Principles Governing Sharing Arrangements.*** All sharing arrangements contemplated by this Agreement will be subject to, and are intended to comply in all respects with, the Communications Act of 1934, as amended (the “***Communications Act***”), the FCC Rules and all other Applicable Law. The arrangements made pursuant to this Agreement will not be deemed to constitute “joint sales,” “program services,” “time brokerage,” “local marketing,” or similar arrangements, or a partnership, joint venture, or agency relationship between the parties, and no such arrangement will be deemed to give Service Provider any right to control the policies, operations, management or any other matter relating to the Station.

3. ***Certain Services Not to be Shared.***

3.1 ***Senior Management Personnel.*** Station Licensee shall maintain for the Station sufficient personnel to comply with its obligations as a broadcast licensee under the FCC’s rules. Such personnel shall (a) include not less than one managerial employee, (b) be retained solely by, and report solely to, Station Licensee or its Affiliate, and (c) have no involvement in or responsibility with respect to the business and operation of Service Provider’s broadcast stations or other media properties.

3.2. ***Control.*** Notwithstanding anything to the contrary in this Agreement, the parties hereto acknowledge and agree that during the Term, Station Licensee will maintain ultimate control and authority over the Station, including, specifically, control and authority over

the Station's operations, finances, personnel and programming. To that end, Station Licensee shall (a) have exclusive authority for the negotiation, preparation, execution and implementation of any and all programming agreements for the Station, and (b) retain and hire or utilize whatever employees Station Licensee reasonably deems appropriate or necessary to fulfill those programming functions. Without limiting the generality of the foregoing, Station Licensee shall employ at least two full-time employees (and no fewer than the number required to comply with Applicable Law) in connection with the business and management of the Station, one of whom shall be a management-level employee. Service Provider shall not represent, warrant or hold itself out as the licensee of the Station.

3.3. *No Joint Advertising Sales.* Station Licensee shall conduct and manage all advertising sales for the Station.

4. ***Licensee's Retained Authority Concerning Station Carriage by MVPDs.***

4.1 Station Licensee shall retain the authority (a) to make elections for must-carry or retransmission consent status, as permitted under the FCC Rules, and (b) to negotiate, execute, and deliver retransmission consent agreements with MVPDs for which Station Licensee has provided timely notice of its election of retransmission consent.

4.2 Subject to the foregoing, Station Licensee agrees to take all commercially reasonable steps in a timely manner to assert, enforce, defend, and preserve the rights of the Station to carriage of the Station's signals by MVPDs that may exist under Applicable Law as necessary to ensure that the Station has valid and enforceable arrangements with all material MVPDs in the Market.

5. ***Premises and Facilities.*** Upon the Commencement Date and during the Term, Service Provider shall make available to Station Licensee (a) such premises and facilities as may be reasonably necessary (i) to conduct broadcast operations from such location and establish the main studio of the Station at such location and (ii) for the employees of Station Licensee at the Station to conduct the applicable business and operations of the Station; provided, that all such access and use shall be pursuant to the terms and subject to the conditions set forth in *Exhibit 4* attached hereto (the "***Lease Terms***") and (b) the use of, certain tangible personal property with respect to the Station sufficient to ensure and enable Station Licensee to conduct broadcast operations of the Station consistent with, and pursuant to, the FCC Rules and the Communications Act.

6. ***Shared Services.*** Subject to Station Licensee's ultimate supervision and control, Service Provider agrees to provide to Station Licensee the following services to support the operation of the Station; provided, however, that such supervision and control shall not be deemed to permit Station Licensee to expand in any material respect the obligations of Service Provider or to require Service Provider to incur any material additional obligation or liability hereunder:

6.1 ***Technical Services.***

(a) Commencing on the Commencement Date, Service Provider shall perform monitoring and maintenance of the Station's technical equipment and facilities and,

upon the request of Station Licensee, shall assist Station Licensee with the installation, repair, maintenance and replacement of the Station's equipment and facilities; provided, however, that Station Licensee shall be responsible for all capital and equipment replacement expenditures, except for those relating to equipment and other tangible personal property being provided to Station Licensee pursuant to the terms of Section 5 hereof.

(b) Commencing on the Commencement Date, Service Provider shall make available to Station Licensee, on an independent contractor basis, a staff engineer employed by Service Provider to assist the chief operator for the Station in fulfilling its duties as specified by the FCC Rules.

6.2 *Promotional and Other Services.* Service Provider shall be responsible for the promotion of the Station; provided, however, that Station Licensee shall have the right to supplement the promotional efforts undertaken by Service Provider, but shall coordinate such efforts with Service Provider to maintain image consistency with Service Provider's promotional efforts. Service Provider shall (a) maintain and operate a website associated with the Station and (b) provide, maintain and operate such mobile applications and other forms of promotional services and activities using new technology as Service Provider shall deem appropriate under the circumstances.

6.3 *Back-Office and Related Support Services.* Service Provider shall provide reasonable and customary back-office support services with respect to the business of the Station, including with respect to payroll.

6.4 *Assistance with Distribution Matters.* Subject to Section 4 above and to the provisions of applicable network affiliation or other programming agreements, Station Licensee shall consult and cooperate with Service Provider in the negotiation, maintenance and enforcement of retransmission consent and related agreements with MVPDs. Upon Station Licensee's request and subject to Station Licensee's authorization, and the ultimate approval, execution, and delivery of any retransmission consent or other distribution agreement by Station Licensee in its sole discretion, Service Provider shall act as Station Licensee's agent with respect to the negotiation of any such retransmission consent or other distribution agreements.

6.5 *Delivered Programming.* Commencing on the Commencement Date, Service Provider shall have the right to provide to the Station Licensee for broadcast, simulcast or rebroadcast on the Station local news and other programming as described more particularly in Schedule 6.5 hereof (the "**Delivered Programming**"), which Delivered Programming shall be less than twenty-five (25) hours per week and less than fifteen percent (15%) of the Station's broadcast hours for any week. Service Provider shall be responsible for obtaining the rights to broadcast the Delivered Programming on the Station and for paying all costs incurred in obtaining such rights. To the extent permission is required to rebroadcast any Delivered Programming under Section 325 of the Communications Act, Service Provider hereby grants Station Licensee such permission. The Delivered Programming shall be subject to Service Provider's editorial judgment and the requirements of Section 3.2, including but not limited to the right of rejection or preemption of Station Licensee. All Delivered Programming shall be in conformity in all material respects with standards established by Station Licensee and consistent with similar programming broadcast on Service Provider's own television broadcast stations and

shall otherwise conform to all Applicable Law, including the Communications Act, the FCC Rules and the intellectual property rights of third parties.

6.6. *Content Policies.* All material furnished by Service Provider for broadcast on the Station, including all Delivered Programming and Advertisements (collectively, “**Broadcast Material**”) shall comply with applicable federal, state and local regulations and policies, including commercial limits in children’s programming. Station Licensee shall have the right to preempt any Broadcast Material to present program material of greater local or national importance. Station Licensee may reject any Broadcast Material if it reasonably determines that the broadcast of such material would violate Applicable Law or would otherwise be contrary to the public interest. Station Licensee shall promptly notify Service Provider of any such rejection, preemption, or rescheduling and shall cooperate with Service Provider in efforts to fulfill commitments to advertisers and syndicators. *Schedule 6.6* sets forth Station Licensee’s statement of policy (the “**Policy Statement**”) with regard to the Broadcast Material. Service Provider shall ensure that the Broadcast Materials are in compliance with the terms of this Agreement and the Policy Statement.

7. *Services Fee.* In consideration for the services to be provided to Station Licensee by Service Provider pursuant to this Agreement, Station Licensee shall pay to Service Provider with respect to each calendar month during the term of this Agreement the amount set forth in *Schedule A* hereto (the “**Services Fee**”). The Services Fee will be payable monthly, in arrears and will be prorated on a daily basis for the first and last months during which this Agreement is in effect.

8. *Service Provider Costs.* Service Provider shall be solely responsible for the salaries, taxes and related costs for all personnel employed by Service Provider who are used by Service Provider in the performance of Service Provider’s obligations hereunder, including, without limitation, any publicity or promotional expenses incurred in performing its obligations hereunder.

9. *Term of Agreement.*

9.1 *Initial Term.* The initial term of this Agreement shall commence on the Commencement Date and such initial term (the “**Initial Term**”) shall end on the date that is the eighth (8th) anniversary of the Commencement Date, unless sooner terminated in accordance with Section 12 below.

9.2 *Renewal Term.* This Agreement shall be renewed automatically for successive one-year renewal terms (the Initial Term and any such renewal term hereinafter referred to as the “**Term**”) unless either party provides the other party with written notice of non-renewal at least one-hundred-eighty (180) days prior to the expiration of the then-current Term.

10. *Representations and Warranties of Station Licensee.* Station Licensee represents and warrants to Service Provider as follows:

10.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Station Licensee have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and

delivered by Station Licensee and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization, or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

10.2 *Absence of Conflicting Agreements or Consents.* The execution, delivery, and performance by Station Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizational documents of Station Licensee; (b) to the actual knowledge of Station Licensee or its respective Affiliates, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Station Licensee; and (c) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station owned by Station Licensee other than as set forth on Schedule 10.2(d).

11. ***Representations and Warranties of Service Provider.*** Service Provider represents and warrants to Station Licensee as follows:

11.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Service Provider have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and delivered by Service Provider and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

11.2 *Absence of Conflicting Agreements and Required Consents.* The execution, delivery, and performance by Service Provider of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizing documents of Service Provider; (b) to the actual knowledge of Service Provider or its Affiliates, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Service Provider; and (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any material agreement, instrument, license or permit to which Service Provider is a party or by which it is bound as of the date hereof.

12. ***Insurance.*** Station Licensee shall maintain in effect policies of insurance insuring the assets and the business of the Station in accordance with good industry practices.

13. ***Termination.***

This Agreement may be terminated prior to the expiration of the Term as follows:

13.1 By either Station Licensee or Service Provider, by written notice to the other party, if, subject to Section 17, this Agreement shall have been declared invalid or illegal in whole or in material part by an order or a decree of the FCC or any other administrative agency or court of competent jurisdiction, and such order or decree shall have become final and shall no longer be subject to further administrative review;

13.2 By Service Provider if Station Licensee or its Affiliate is no longer the licensee of the Station;

13.3 Automatically, immediately following the Option Closing (as such term is defined in the Option Agreement) under the Option Agreement;

13.4 By the mutual consent of Station Licensee and Service Provider;

13.5 By Station Licensee, by written notice to Service Provider if Service Provider fails to observe or perform any material obligation contained in this Agreement in any material respect or breaches any material representation, warranty or covenant made by it under this Agreement in any material respect, unless such failure results from the failure of Station Licensee to perform its obligations under this Agreement; or

13.6 By Service Provider, by written notice to Station Licensee if Station Licensee fails to observe or perform any material obligation contained in this Agreement in any material respect or breaches any material representation, warranty or covenant made by it under this Agreement in any material respect, unless such failure results from the failure by Service Provider to perform its obligations under this Agreement;

13.7 Notwithstanding the foregoing, (i) any breach or default under the foregoing will not be deemed to have occurred until 30 calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the event of default and such event of default remains uncured. Upon the occurrence of an event of default, and in the absence of a timely cure pursuant to this Section 13, the non-defaulting party may terminate this Agreement pursuant to this Section 13, effective 60 days (or such longer period as the terminating party may specify without extending the term as specified in Section 9) after written notice to the defaulting party.

14. ***Certain Matters Upon Termination.***

14.1 Continuing Obligations. No expiration or termination of this Agreement shall terminate the indemnification obligations of Service Provider or Station Licensee hereunder, relieve a party of any obligation or liability for breach or default prior to termination, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination.

14.2 Cooperation. If this Agreement is terminated pursuant to Section 13, the parties shall cooperate with each other as may be reasonably requested to effect an allocation of the revenues and expenses for any partial calendar month resulting from such termination or to effect any working capital payment required in connection with such.

15. ***Indemnification.***

(a) *By Service Provider.* Service Provider shall indemnify, defend and hold harmless Station Licensee and its employees, directors, members, managers, officers, or agents, or any of their Affiliates, successors or assignees (exclusive of Service Provider and its Affiliates and agents) (each, a “***Station Indemnified Party***”), from and against, and reimburse and pay to such Station Indemnified Party as incurred, any loss, liability, damage or expense (including reasonable legal expenses and costs and any cost or expense arising from or incurred in connection with any action, suit, proceeding, claim or judgment) relating to any matter described in this section, or in enforcing the indemnity provided by this section (any such amount, a “***Loss***”), which any such Station Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(i) any act or omission, event or occurrence that was or shall be caused by Service Provider, its agents or Affiliates (including any predecessor in interest thereto) relating to the business and operations of Service Provider or the performance of its obligations hereunder; or

(ii) any omission or breach by Service Provider (including any predecessor in interest to Service Provider) of any of its obligations hereunder.

The obligations of Service Provider under this Section 15(a) shall survive any termination or expiration of this Agreement. Notwithstanding anything to the contrary contained herein, in no event shall Service Provider be liable under this Section 15(a) for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with Applicable Law.

(b) *By Station Licensee.* Except with respect to or to the extent of any Loss subject to indemnification pursuant to the terms and subject to the conditions of Section 15(a), Station Licensee shall indemnify, defend and hold harmless Service Provider and any employee, director, member, manager, officer, stockholder or agent of Service Provider, or any of its Affiliates, successors or assignees (each, a “***Service Provider Indemnified Party***”) from and against, and reimburse and pay to such Service Provider Indemnified Party, as incurred, any Loss, which any such Service Provider Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of the actions or omissions of any of the respective employees, agents and representatives of Station Licensee in performing their duties under this Agreement or in acting outside the scope of their employment, which actions or omission constitute willful misconduct or gross negligence.

The payment of any indemnification obligation by Station Licensee under this Agreement shall in no event be due until and solely in the event of an Option Closing (as defined in the Option Agreement) under the Option Agreement and in connection with such Option Closing the

amount of indemnification shall be applied as a credit against the payment obligations of the Option Holder (as defined in the Option Agreement) thereunder.

(c) *Procedure.*

(i) If any Person entitled to indemnification under this Agreement (an “**Indemnified Party**”) asserts a claim for indemnification for or receives notice of the assertion or commencement of any Third Party Claim as to which such Indemnified Party intends to seek indemnification under this Agreement, such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an “**Indemnifying Party**”), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the “**Defense Notice**”) within 15 days after receipt from the Indemnified Party of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party (which notice shall specify the counsel the Indemnifying Party will appoint to defend such claim (“**Defense Counsel**”); *provided, however*, that the Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party.

(ii) If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at its own expense, in the defense of such Third Party Claim; *provided, however*, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if (i) so requested by the Indemnifying Party or (ii) in the reasonable opinion of counsel to the Indemnified Party, a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation advisable; and *provided, further*, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.

(iii) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will be liable for all Losses paid or incurred in connection therewith and the Indemnifying Party shall have no

obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Agreement), in which case the consent of the Indemnified Party shall not be required.

(iv) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(v) It is the intent of the parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this Section 15(c). Any claim under this Section 15(c) by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a “**Direct Claim**”) will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of twenty (20) days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20-day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 15(c), including litigation.

(vi) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 15(c) shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(vii) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Losses (in which case such proceeds shall reduce such Losses). To the extent any Losses of an Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Losses and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Losses. The indemnification obligations hereunder shall survive any termination of this Agreement.

(d) *Exclusivity.* After the Base Date, the indemnification provided by this Section 15 shall be the sole and exclusive remedy of Station Licensee and Service Provider against the other party for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Agreement; *provided*, that this Section 15(d) shall not prohibit (i) injunctive relief (including specific performance) pursuant to Section 22 if available under Applicable Law or (ii) any other remedy available at law or in equity for any fraud committed in connection with this Agreement.

16. *Force Majeure.* Any delay or interruption in the performance of a party's obligations, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action or applicable law, riots, natural disasters or any other cause not reasonably within the control of such party shall not constitute a breach of this Agreement, and no party shall be liable to any other party for any liability or obligation with respect thereto.

17. *Change in FCC Rules or Policies; Severability.* In the event that the FCC determines that this Agreement does not comply with the Communications Laws, the parties shall negotiate in good faith and attempt to agree to an amendment to this Agreement that will provide the parties with a valid and enforceable agreement that conforms to the Communications Laws and preserves in all material respects the parties' rights, benefits and obligations under this Agreement. In the event that any of the provisions of this Agreement shall be held unenforceable, then so long as no party is deprived of the benefits of this Agreement in any material respect, the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. Any provision of this Agreement that is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect that renders any provision hereof unenforceable in any respect.

18. *Notices.* All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as set forth on *Schedule B* hereto.

19. *Assignment; Binding Agreement.* Neither party may assign this Agreement or delegate its obligations under this Agreement without the prior written consent of the other, except as otherwise permitted in this Section 19; provided, however, that (i) Service Provider shall be deemed to have consented to Station Licensee's assignment of the Agreement to the Dreamcatcher Lenders or their designee pursuant to the Dreamcatcher Lenders' exercise of their rights in respect of the Dreamcatcher Credit Agreement following the occurrence of an event of default thereunder, and (ii) Station Licensee shall be deemed to have consented to Service Provider's assignment of the Agreement to the Tribune Lenders or their designee pursuant to the Tribune Lenders' exercise of their rights in respect of the Tribune Credit Agreement following the occurrence of an event of default thereunder. Upon any assignment of this Agreement by Station Licensee, Station Licensee shall pay, or shall cause to be paid, all amounts accrued and

owing to Service Provider as of the consummation date of such assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Any permitted assignee of any party hereto shall be a "party" to this Agreement for all purposes hereof.

20. ***Entire Agreement; Amendment; Waiver.*** This Agreement and the exhibits and schedules hereto and thereto, embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No term or provision hereof may be changed, modified, amended, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by the parties hereto. No waiver of any of the provisions or conditions of this Agreement or of any of the rights, powers or privileges of a party shall be effective or binding unless in writing and signed by the party claimed to have given or consented to such waiver.

21. ***Governing Law; Waiver of Jury Trial.*** The construction and performance of this Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware without regard to its principles of conflict of law. The exclusive forum for the resolution of any disputes arising under this Agreement shall be the state or federal courts located in Delaware, and each party hereto irrevocably submits to the exclusive jurisdiction of such courts in any such action or proceeding and irrevocably waives the defense of an inconvenient forum to the maintenance of any such action or proceeding. Each party agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

22. ***Specific Performance.*** The parties hereby agree that the services to be provided hereunder are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, to the extent permitted by the Communications Act and the FCC Rules then in effect, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

23. ***Confidentiality.*** Each party hereto agrees that it will not at any time during or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other parties hereto. To the extent required by the Communications Act or the FCC Rules, each party shall place a copy of this Agreement in its public inspection file and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

24. ***Press Release.*** No party hereto shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party hereto; *provided, however*, that nothing contained herein shall prevent any party from promptly making all filings with governmental authorities as may, in its judgment, be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

25. ***No Partnership or Joint Venture.*** This Agreement is not intended to be and shall not be construed as a partnership or joint venture agreement between the parties.

26. ***Further Assurances.*** The parties hereto shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

27. ***Counterparts and Facsimile Signatures.*** This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument. This Agreement shall be legally binding and effective upon delivery of facsimile signatures.

28. ***Captions.*** The captions used in this Agreement are for convenience of reference only, do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.

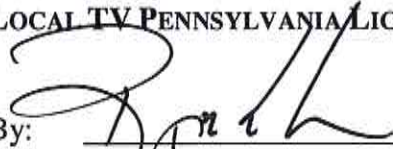
29. ***Other Definitional Provisions.*** The terms “hereof,” “herein” and “hereunder” and terms of similar import will refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references contained in this Agreement are references to Sections in this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the term “including” is used in this Agreement (whether or not that term is followed by the phrase “but not limited to” or “without limitation” or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

30. ***Other Agreements.*** No action taken by Station Licensee or Service Provider shall be deemed to be a breach by such party of its obligations under this Agreement, or give rise to any right of indemnification under this Agreement, if such action is taken pursuant to the APA or the Securities Purchase Agreement referenced in Section 10.2 of this Agreement, or at the request or with the agreement or consent of the other party or, in the case of Station Licensee, if it arises out of services performed or required to be performed by Service Provider under this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties have executed this Shared Services Agreement as of the date first written above.

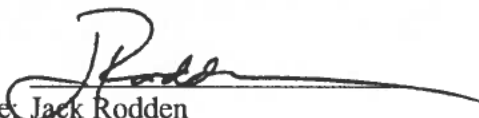
**STATION LICENSEE:
LOCAL TV PENNSYLVANIA LICENSE, LLC**

By: 

Name: Royce E. Wilson, Sr.

Title: President

SERVICE PROVIDER:
TRIBUNE BROADCASTING COMPANY II, LLC

By: 
Name: Jack Rodden
Title: Assistant Treasurer

SCHEDULE A SERVICES FEES

For each calendar month during the Term, Station Licensee shall pay, or shall cause to be paid, to Service Provider the Services Fee, consisting of sum of the Base SSA Amount and a performance bonus (the "***Performance Bonus***"), if any. The Performance Bonus, if any, shall be determined as set forth in this Schedule A.

1. ***Base SSA Amount.*** Through December 31, 2014, the "***Base SSA Amount***" for any calendar month shall be an amount equal to One Million Five Hundred Thirty Thousand Dollars (\$1,530,000) (or a pro rata portion thereof for any partial month). The amounts specified in the previous sentence shall, on January 1 of each year commencing on January 1, 2015, be increased by 3.0% of the amount in effect for the preceding year. Notwithstanding the foregoing, the Base SSA Amount for any month shall be reduced as necessary to assure that (i) Net Cash Flow from the operation of the Station for such month retained by the Station Licensee, after payment of the Base SSA Amount, for the Station for such month, is not less than \$10,417 and (ii) the cumulative Net Cash Flow from the operation of the Station for the calendar year through such month retained by the Station Licensee, after payment of the Base SSA Amounts for the Stations for all such months, is not less than the product of (x) \$10,417 times (y) the number of months covered by such calculation.

2. ***Determination of Performance Bonus.*** To the degree that Station Licensee determines in good faith that the performance of Service Provider has contributed to an increase in the performance of the Station, Service Provider shall be eligible to receive a Performance Bonus with respect to the applicable month, which Performance Bonus, if any, shall be in an amount determined by Station Licensee to reflect the value of the services provided by Service Provider relative to the performance of the Station for such month, which determination shall be in the sole and absolute discretion of Station Licensee

3. ***Payment of Services Fee.*** Except as the parties may otherwise agree, the Services Fee shall be due and payable no later than the fifteenth (15) day of each calendar month during the Term.

4. ***Net Cash Flow.*** For purposes of this agreement, the term "***Net Cash Flow***" means all net sales revenue of the Station less (i) all actual expenses of the Station as determined on an accrual basis of accounting, (ii) all debt service on the acquisition financing for the Station, (iii) all payments for capital expenditures, (iv) all payments for tax liabilities incurred by the Station and (v) all other out of pocket payments and disbursements incurred by the Station Licensee related to the operation of the Station. For administrative purposes, and in conjunction with the Back-Office and Related Support Services provided by the Service Provider pursuant to Section 6.3 of the Shared Service Agreement, Service Provider will maintain all financial books and records necessary to determine the Net Cash Flow on a monthly basis. Further, Service Provider shall deliver to Station Licensee a statement (the "***Monthly Statement***") setting forth the total aggregate amount of Net Cash Flow for the preceding calendar month.

SCHEDULE B

If to Station Licensee:

Dreamcatcher Broadcasting LLC
2016 Broadway
Santa Monica, CA 90404
Fax:
Attention: Ed Wilson

With a copy (which shall not constitute notice) to:

Jack N. Goodman, Esq.
1200 New Hampshire Ave, NW
Suite 800
Washington, DC 20036-6802
Fax: 202-776-2222

If to Service Provider:

Tribune Broadcasting Company II, LLC
435 North Michigan Avenue
Chicago, IL 60611
Fax: 312-222-4206
Attention: General Counsel

With a copy (which shall not constitute notice) to:

Covington & Burling LLP
1201 Pennsylvania Ave., N.W.
Washington, D.C. 20004-2401
Fax: 202-778-5552
Attention: Mace Rosenstein, Esq.

SCHEDULE 6.5

SCHEDULE OF DELIVERED PROGRAMMING

Commencing on the Commencement Date, Service Provider shall be permitted to provide the Delivered Programming in accordance with the terms and subject to the conditions of this Agreement. Notwithstanding anything herein to the contrary, the obligations of Station Licensee set forth in this Schedule 6.5 shall be subject to Station Licensee's rights under Section 3.2 of this Agreement.

At any time and from time to time following the Commencement Date, Service Provider may designate by written notice to Station Licensee the days and times during which the Delivered Programming shall be broadcast on the Station, and Station Licensee shall commence the broadcast of such Delivered Programming no later than 14 days following its receipt of such notice, so long as (i) the duration of such Delivered Programming, together with the duration of all other Delivered Programming broadcast on the applicable Station, does not exceed 15% of such Station's weekly broadcast schedule and (ii) the broadcast of such Delivered Programming during the days and times specified by Service Provider does not conflict with the contractual obligations of Station Licensee.

At any time and from time to time following the Commencement Date, Service Provider may designate by written notice to Station Licensee alternative and/or additional programming and alternative and/or additional days and times during which the Delivered Programming shall be broadcast on the Station, and Station Licensee shall commence the broadcast of such Delivered Programming no later than 14 days following its receipt of such notice, so long as (i) the duration of such Delivered Programming, together with the duration of all other Delivered Programming broadcast on the applicable Station, does not exceed 15% of such Station's weekly broadcast schedule and (ii) the broadcast of such Delivered Programming during the days and times specified by Service Provider does not conflict with the contractual obligations of Station Licensee.

Subject to Applicable Law concerning the amount of programming that Service Provider may provide to Station Licensee, and at the request of Service Provider, Station Licensee shall cooperate in good faith with Service Provider to agree upon one or more additional time periods during which Service Provider shall be permitted to provide additional Delivered Programming for broadcast on the Station, but in no event shall the aggregate duration of all Delivered Programming, including such additional time periods, exceed the total amount of Delivered Programming as may be permitted by the FCC under then-applicable FCC Rules.

Upon no less than 14 days prior written notice from Service Provider to Station Licensee, Service Provider may change the date and times that the Delivered Programming shall be broadcast on the Station and Station Licensee agrees to broadcast the Delivered Programming in accordance with such revised schedule, so long as (i) the duration of such Delivered Programming, together with the duration of all other Delivered Programming broadcast on the applicable Station, does not exceed 15% of such Station's weekly broadcast schedule and (ii) the broadcast of such Delivered Programming during the days and times specified by Service Provider does not conflict with the contractual obligations of Station Licensee.

SCHEDULE 6.6
POLICY STATEMENT FOR BROADCAST MATERIAL

Service Provider agrees to cooperate with Station Licensee in the broadcasting of programs of high quality and, for this purpose, to observe the following policies in the preparation, writing, production and delivery of Broadcast Material.

CONTROVERSIAL ISSUE. Any discussion of controversial issues of public importance shall be reasonably balanced with the presentation of contrasting viewpoints in the course of overall programming; no attacks on the honesty, integrity, or like personal qualities of any person or group of persons shall be made; and Station programs (other than public forum or talk features) are not to be used as a forum for editorializing about individual candidates. If such events occur, Station Licensee may require that responsive programming be aired.

NO PLUGOLA OR PAYOLA. The mention of any business activity or “plug” for any commercial, professional, or other related endeavor, except where contained in an actual commercial message of a sponsor, is prohibited.

PROGRAMMING PROHIBITIONS. Service Provider shall not knowingly provide to Station Licensee for broadcast by Station Licensee any of the following programs or announcements:

- (a) *False Claims.* False or unwarranted claims for any product or service.
- (b) *Unfair Imitation.* Infringements of another advertiser’s rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.
- (c) *Commercial Disparagement.* Any unlawful disparagement of competitors or competitive goods.
- (d) *Obscenity/Indecency/Profanity.* Any programs or announcements that are obscene or indecent, as those terms are interpreted and applied by the FCC or any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, either in theme or treatment.
- (e) *Price Disclosure.* Any price mentions except as permitted by Station Licensee’s policies current at the time.
- (f) *Unauthorized Testimonials.* Any testimonials which cannot be authenticated.
- (g) *Descriptions of Bodily Functions.* Any continuity which describes in a repellent manner internal bodily functions or symptomatic results or internal disturbances, and no reference to matters which are not considered acceptable topics in social groups.
- (h) *Conflict Advertising.* Any advertising matter or announcement which may, in the reasonable opinion of Station Licensee, be injurious or prejudicial to the interest of the public, the Station, or honest advertising and reputable business in general.

(i) *Fraudulent or Misleading Advertisement.* Any advertisement matter, announcement, or claim which Service Provider knows to be fraudulent, misleading, or untrue.

LOTTERIES. Announcements giving any information about lotteries or games prohibited by Applicable Law are prohibited.

RELIGIOUS PROGRAMMING RESTRICTIONS. The subject of religion and references to particular faiths, tenants, and customs shall be treated with respect at all times. Broadcast Material shall not be used as medium for attack on any faith, denomination, or sect or upon any individual or organization.

CREDIT TERMS ADVERTISING. Any advertising of credit terms shall be made over the Station in accordance with Applicable Law.

NO ILLEGAL ANNOUNCEMENTS. No announcements or promotion prohibited by Applicable Law shall be made over the Station. At Station Licensee's request, any game, contest, or promotion relating to or to be presented over the Station must be fully stated and explained in advance to Station Licensee, which reserves the right in its sole discretion to reject any game, contest, or promotion.

LICENSEE DISCRETION PARAMOUNT. In accordance with the responsibilities of Station Licensee under the Communications Act and the FCC Rules, Station Licensee reserves the right to reject or terminate any Broadcast Material proposed to be presented or being presented over the Station which is in conflict with the policy of Station Licensee or which in the reasonable judgment of Station Licensee would not serve the public interest.

PROGRAMMING IN WHICH SERVICE PROVIDER HAS A FINANCIAL INTEREST. Service Provider shall advise Station Licensee with respect to any Broadcast Material concerning goods or services in which Service Provider has a material financial interest. Any announcements for such goods and services for which Service Provider charges less than its regular rate shall clearly identify Service Provider's financial interest.

MISCELLANEOUS.

(a) *Waiver.* To the extent legally permissible, the parties may jointly waive any of the foregoing policies in specific instances if, in their opinion, good broadcasting in the public interest is served.

(b) *Prior Consent.* In any case where questions of policy or interpretation arise, Service Provider will attempt in good faith to submit the same to Station Licensee for decision before making any commitments in connection therewith.

(c) *CALM Act Certification.* Service Provider shall assure that all commercial advertisements embedded in programs provided by Service Provider are, at the point of distribution by Service Provider, in compliance with the loudness control practices contained in Advanced Television Systems Committee (ATSC) A/85 Recommended Practice: Techniques for Establishing and Maintaining Audio Loudness for Digital Television.

(d) *Non-Discrimination.* Station Licensee and its stations do not discriminate in advertising contracts on the basis of race or ethnicity. Any provision in any order or agreement for advertising that purports to discriminate on the basis of race or ethnicity, even if handwritten, typed or otherwise made a part of the particular contract, is hereby rejected.

EXHIBIT 4 LEASE TERMS

Pursuant to the terms and subject to the conditions of this Agreement, Service Provider shall provide Station Licensee with office space, equipment, and furnishings (the “***Service Provider Premises***”) as follows:

1. During the Term, Service Provider shall provide, rent-free, to Station Licensee’s employees and agents the non-exclusive right, in common with Service Provider, to access and use of space and facilities in the applicable Service Provider Premises, including (a) accommodation of Station Licensee’s studio transmitter links from time to time, and (b) (i) furnishings and office equipment for a main studio for the Station and (ii) sufficient space to permit Station Licensee to maintain and make available to the public the Station’s public inspection file and otherwise satisfy the applicable “main studio” requirements under the FCC Rules at such locations in or near the Service Provider Premises, the grant of such rights as may be mutually acceptable to Service Provider and Station Licensee and in accordance with the FCC Rules, so long as the provision of such space and the use of such equipment do not unreasonably interfere with the conduct of Service Provider’s business or operations. Station Licensee acknowledges and agrees that (y) it inspected and accepts the Service Provider Premises in their “as is” condition, without any representations or warranties by Service Provider, or anyone acting or purporting to act on behalf of Service Provider, as to the present or future condition of such Service Provider Premises, except as specifically set forth in this Agreement; and (z) Service Provider shall have no obligation to perform any work therein, except as specifically set forth in this Agreement.

2. During the Term, Service Provider shall give Station Licensee and its agents a nonexclusive and unrestricted right of access, in common with Service Provider, to the space provided for Station Licensee at the Service Provider Premises under Section 1 of this Exhibit 4 at all times, subject only to Service Provider’s reasonable security procedures and rules applicable to its own employees, as the Station Licensee reasonably requires for the conduct of the business of the Station and to fulfill its obligations as an FCC licensee. Station Licensee shall not use the Service Provider Premises for any other purposes without the prior written consent of Service Provider. Station Licensee shall use and occupy the Service Provider Premises in compliance with all Applicable Laws, ordinances, requirements and regulations of any applicable governmental authority and in accordance with all superior leases, mortgages, deeds of trust and encumbrances of record. The rights granted under this section shall include the incidental benefit and reasonable right of use of utilities (heat, water, electricity) provided for purposes of Service Provider’s own operations. In addition, Service Provider shall provide separate and, to the extent reasonably practicable, lockable office facilities for use by Station Employees and, subject to Service Provider’s reasonable prior approval, shall permit Station Licensee to install appropriate signs on the inside and outside of the Service Provider Premises (consistent with applicable local requirements governing such signage, if any, and the overall appearance of the Service Provider Premises) identifying Station Licensee as the licensee of the Station. No alterations or additions may be made to the Service Provider Premises without the prior written consent of Service Provider, in its sole and absolute discretion, except as otherwise permitted under the Agreement.

3. Station Licensee shall be given a transition period (“*Transition-Tail Period*”) of one hundred eighty (180) days following the expiration or notice of termination of this Agreement in which to relocate the operations of the main studio of the Station and shall surrender the Service Provider Premises at such time in substantially the same condition as Station Licensee received such Service Provider Premises upon commencement of the Initial Term (including removing all signage installed by Station Licensee), subject only to reasonable wear and tear. All costs incurred by Station Licensee with respect to relocating the operations of the main studio of the Station following such termination shall be paid by Station Licensee. During such Transition-Tail Period, Station Licensee shall have access to the Service Provider Premises in the same manner as during the Term. Such Transition-Tail Period may be lengthened upon such terms and conditions as may be mutually agreeable to the parties in writing. If Station Licensee holds over beyond the expiration of the Transition-Tail Period, then, in addition to all other rights and remedies of Service Provider provided by Applicable Law or by the terms of this Agreement, Station Licensee shall pay to Service Provider an amount equal to the Services Fee last payable by Station Licensee under this Agreement prior to termination of this Agreement, pro-rated as a monthly amount, for each month or partial month of such holdover; provided, that, in such event, at any time, Service Provider, without waiving any other remedy that it may have, may use legal process to enter upon, take possession of the Service Provider Premises and expel or remove Station Licensee and any other person in occupancy thereof from the Studio Facility. Nothing contained in this Agreement shall be deemed a consent by Service Provider to the holding over by Station Licensee, nor a waiver of any other remedy which may be available to Service Provider. The obligations of Station Licensee under this Section 3 shall survive the termination of this Agreement.

4. Station Licensee shall not assign its rights under this Exhibit 4 or sublet or permit the occupancy or use of Service Provider Premises by any Person or entity other than Station Licensee, except as otherwise permitted under this Agreement.

5. Upon the failure by Station Licensee to make any payments set forth in this Exhibit 4 within fifteen (15) days that such payment is due and upon written notice of nonpayment from Service Provider, Service Provider may at any time after such notice, at its option, declare a default and accelerate the prior and remaining amount due to Service Provider hereunder and such amount shall be due and payable immediately by Station Licensee to Service Provider.

6. Without the necessity of any additional document being executed by Station Licensee for the purpose of effecting a subordination, this Agreement shall be subject and subordinate at all times to ground or underlying leases and to the lien of any mortgages or deeds of trust now or hereafter placed on, against or affecting the Service Provider Premises, Station Licensee’s interest or estate in the Service Provider Premises, or any ground or underlying lease; provided, that if the lessor, mortgagee, trustee, or holder of any such mortgage or deed of trust elects to have Station Licensee’s interest in this Agreement be superior to any such instrument, then, by notice to Station Licensee, this Agreement shall be deemed superior, whether this Agreement was executed before or after said instrument. Notwithstanding the foregoing, Station Licensee covenants and agrees to execute and deliver within ten (10) days of delivery of Service Provider’s request such further instruments evidencing such subordination or superiority of this Agreement as may be required by Service Provider. Within ten (10) days following delivery of

any written request which Service Provider may make from time to time, Station Licensee shall execute and deliver to Service Provider or mortgagee or prospective mortgagee a sworn statement certifying such matters as may be requested by Service Provider.

7. With respect to any Service Provider Premises that are subject to a lease agreement with a third party, Station Licensee's rights under this Exhibit 4 shall automatically terminate upon the termination for any reason (including by reason of casualty or condemnation) of any superior lease for the Service Provider Premises. Station Licensee shall occupy the Service Provider Premises in compliance with any superior lease. Station Licensee shall have no rights under the superior lease for the Service Provider Premises, including any assignment or subletting, extension, renewal, first offer or purchase rights. Service Provider shall not be responsible for the failure of lessor or other counterparty to the superior lease for the Service Provider Premises to provide any services or utilities or access to the Service Provider Premises; provided, that to the extent of any failure of services, utilities or access, Service Provider shall use reasonable efforts to obtain such services, utilities or access from its landlord.

SHARED SERVICES AGREEMENT

THIS SHARED SERVICES AGREEMENT (this "*Agreement*") is entered into on November 21, by and between Sierra Communications, LLC ("*Sierra*") and Ruby Mountain Broadcasting, LLC ("*Ruby*", collectively "*Station Licensees*"), and Sinclair Television Group, Inc. ("*Service Provider*").

WITNESSETH:

WHEREAS, Station Licensees have entered into that certain Asset Purchase Agreement dated as of November 18, 2013 with Chesapeake Media I, LLC (the "*Non-FCC Asset Purchase Agreement*") pursuant to which Service Provider will purchase and acquire certain assets of television broadcast station KRVN-DT and KENV-DT (the "*Stations*") (not including the FCC licenses) from Sierra or Ruby. Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Non-FCC Asset Purchase Agreement;

WHEREAS, Station Licensees have entered into that certain Asset Purchase Agreement dated as of November 18, 2013 with Chesapeake Media I, LLC (the "*FCC Asset Purchase Agreement*") pursuant to which, upon and following the consent of the FCC (as defined below), Service Provider, or its designee, will purchase and acquire the FCC licenses and certain assets of the Stations from the Station Licensees.

WHEREAS, Service Provider or its affiliate owns the licenses and certain assets of television station KRXI-TV (the "*Service Station*");

WHEREAS, it is the parties' expectation that Service Provider, with its experience and operating infrastructure, is capable of providing services to Station Licensees which will permit Stations to maintain or improve the overall efficiency of the its operating processes and reduce costs, thereby helping the Stations to serve the television viewing public in the Market;

WHEREAS, in view of the desire of the parties to obtain important efficiencies through shared services provided by the Service Station, and the role such services are likely to provide in the efficient promotion of the business development of the Stations, the parties hereto desire to enter into this Agreement; and

WHEREAS, simultaneously with the execution and delivery of this Agreement, and in order to further permit the provision of certain joint sales services between the Stations and the Service Station, the parties hereto entering into that certain Joint Sales Agreement, dated as of the date hereof (the "*JSA*"), pursuant to which Service Provider (acting as Sales Agent, as defined therein) agrees, among other things, to sell advertising and commercial time on the Stations.

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be bound legally, agree as follows:

1. ***Defined Terms.***

1.1 For purposes of this Agreement:

“Affiliate” means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, without limitation, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of directors (or comparable governing body) of such Person, or (B) owns a majority of the beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

“Applicable Law” means any of the Communications Act, the FCC Rules, and all other federal, state and local constitutions, laws, statutes, codes, rules, regulations, ordinances, judgments, orders, decrees and the like of any governmental entity, including common law.

“Commencement Date” shall have the meaning ascribed thereto in the JSA.

“FCC” means the Federal Communications Commission or any successor agency thereto.

“FCC Rules” means the rules and published policies of the FCC as in effect from time to time.

“Market” means the Reno, NV, Designated Market Area (as defined by The Nielsen Company) and the NorthEastern Nevada area in the Salt Lake City DMA (reached by the signal of KENV-DT).

“MVPDs” means cable television systems, direct-broadcast-satellite systems, local exchange carriers, and all other multichannel video programming distributors that distribute the signals of a television broadcast station.

“Person” includes, without limitation, natural persons, corporations, business trusts, associations, companies, joint ventures, and partnerships.

“Third Party Claim” means any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding, or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement.

“Transaction Documents” means this Agreement, the JSA, and the other documents, agreements and instruments executed by the parties hereto and thereto in connection therewith.

1.2 In addition to the defined terms in the preamble, recitals and Section 1(a) hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<u>Term</u>	<u>Section</u>
Base SSA Amount	Schedule A
Communications Act	Section 2
Initial Term	Section 9.1
Lease Terms	Section 5
Performance Bonus	Schedule A
Principal Agreements	Schedule A
Service Provider Premises	Exhibit 5
Services Fee	Section 7
Term	Section 9.2
Transition-Tail Period	Exhibit 5

2. ***General Principles Governing Sharing Arrangements.*** All sharing arrangements contemplated by this Agreement will be subject to, and are intended to comply in all respects with, the Communications Act of 1934, as amended (the “***Communications Act***”), the FCC Rules and all other Applicable Law. The arrangements made pursuant to this Agreement will not be deemed to constitute “joint sales,” “program services,” “time brokerage,” “local marketing,” or similar arrangements, or a partnership, joint venture, or agency relationship between the parties, and no such arrangement will be deemed to give Service Provider any right to control the policies, operations, management or any other matter relating to the Stations.

3. ***Certain Services Not to be Shared.***

3.1 ***Senior Management Personnel.*** Station Licensee shall maintain for the Station sufficient personnel to comply with its obligations as a broadcast licensee under the FCC’s rules. Such personnel shall (a) include not less than one managerial employee, and (b) be retained solely by, and report solely to, Station Licensee.

3.2 ***Programming.*** Station Licensee shall retain ultimate authority with respect to the selection and procurement of programming on the Station and in furtherance thereof, each of Station Licensee and Service Provider shall maintain for its own respective broadcast television station(s), including the Station and the Service Station, separate managerial and other personnel to carry out its selection and procurement of programming for its station(s).

4. ***Licensee’s Retained Authority Concerning Station Carriage by MVPDs.***

4.1 Station Licensee shall retain the authority (a) to make elections for must-carry or retransmission consent status, as permitted under the FCC Rules, and (b) to negotiate, execute, and deliver retransmission consent agreements with MVPDs for which Station Licensee has provided timely notice of its election of retransmission consent.

4.2 Subject to the foregoing, Station Licensee agrees to take all commercially reasonable steps in a timely manner to assert, enforce, defend, and preserve the rights of the Station to carriage of the Station's signals by MVPDs that may exist under Applicable Law as necessary to ensure that the Station has valid and enforceable arrangements with all material MVPDs in the Market.

5. ***Lease.*** Upon the Commencement Date and during the Term, Service Provider shall make available to Station Licensee (a) such premises and facilities as may be reasonably necessary to (i) conduct broadcast operations from such location and establish the main studio of the Station at such location and (ii) for the employees of Station Licensee at the Station to conduct the applicable business and operations of the Station; provided, that all such access and use shall be pursuant to the terms and subject to the conditions set forth in *Exhibit 5* attached hereto (the "***Lease Terms***") and (b) the use of, certain tangible personal property with respect to the Station or Service Station sufficient to ensure and enable Station Licensee to conduct broadcast operations of the Station consistent with, and pursuant to, the FCC Rules and the Communications Act.

6. ***Shared Services.*** Subject to Station Licensee's ultimate supervision and control, Service Provider agrees to provide to Station Licensee the following services to support the operation of the Station; provided, that such supervision and control shall not be deemed to permit Station Licensee to expand in any material respect the obligations of Service Provider or to require Service Provider to incur any material additional obligation or liability hereunder:

6.1 ***Technical Services.***

(a) Commencing on the Commencement Date, Service Provider shall perform monitoring and maintenance of the Station's technical equipment and facilities and, upon the request of Station Licensee, shall assist Station Licensee with the installation, repair, maintenance and replacement of the Station's equipment and facilities and otherwise assist in the performance of Station Licensee's obligations under Section 5.1 of the JSA; provided, however, subject to the obligations of Service Provider (as Sales Agent) pursuant to Section 5.2 and Schedule 3.1 of the JSA, Station Licensee shall be responsible for all capital and equipment replacement expenditures, except for those relating to equipment and other tangible personal property being provided to Station Licensee pursuant to the terms of Section 5 hereof.

(b) Commencing on the Commencement Date, Service Provider shall make available to Station Licensee, on an independent contractor basis, a staff engineer employed by Service Provider to assist the chief operator for the Station in fulfilling Station Licensee's duties as specified by the FCC Rules.

6.2 ***Promotional and Other Services.*** Service Provider shall be responsible for the promotion of the Station; provided, however, that Station Licensee shall have the right to supplement the promotional efforts undertaken by Service Provider, but shall coordinate such efforts with Service Provider to maintain image consistency with Service Provider's promotional efforts. Service Provider shall (a) maintain and operate a website associated with the Station, whether (i) the current website for the Station (and its corresponding domain name) or (ii) another website (and other domain name) that is prominently associated with the Station, or

(b) combine the current Station website with a website for the Service Station and be operated as a single website for the Station and the Service Station or otherwise include in the navigation structure of each such website for the Station and the Service Station links and navigation to such other site, and (c) provide, maintain and operate such mobile applications and other forms of promotional services and activities using new technology as Service Provider shall deem appropriate under the circumstances, which may be integrated into similar applications, services and activities provided to the Service Station.

6.3 *Back-Office and Related Support Services.* Service Provider shall provide reasonable and customary back-office support services with respect to the business of the Station, including with respect to traffic, the collection of accounts receivable in a manner consistent with Service Provider's own practices, and payroll and other similar, related services.

7. *Services Fee.* In consideration for the services to be provided to Station Licensee by Service Provider pursuant to this Agreement, Station Licensee shall pay to Service Provider with respect to each calendar month during the term of this Agreement the amount set forth in Schedule A hereto (the "*Services Fee*"). The Services Fee will be payable monthly, in arrears and will be prorated on a daily basis for the first and last months during which this Agreement is in effect. The payment of the Services Fee hereunder shall be due and payable upon, and subject to, the payments due in respect of such calendar month under the JSA.

8. *Service Provider Costs.* Service Provider shall be solely responsible for the salaries, taxes and related costs for all personnel employed by Service Provider who are used by Service Provider in the performance of Service Provider's obligations hereunder, including, without limitation, any publicity or promotional expenses incurred in performing its obligations hereunder.

9. *Term of Agreement.*

9.1 *Initial Term.* This Agreement shall be deemed effective, and the initial term hereof shall commence, on and as of the Commencement Date and such initial term (the "*Initial Term*") shall continue until the eighth (8th) anniversary of the Commencement Date, unless terminated in accordance with Section 13 below.

9.2 *Renewal Term.* This Agreement shall be renewed automatically for successive eight-year renewal terms (the Initial Term and any such renewal term hereinafter referred to as the "*Term*") unless Service Provider provides the Station Licensee with written notice of non-renewal at least one hundred eighty (180) days prior to the expiration of the then-current Term.

10. *Representations and Warranties of Station Licensee.* Station Licensee represents and warrants to Service Provider as follows:

10.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Station Licensee have been duly authorized by all necessary organizational action on the part of Station Licensee. This Agreement has been duly executed and delivered by Station Licensee and constitutes the legal, valid, and binding obligation of

Station Licensee, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization, or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

10.2 *Absence of Conflicting Agreements or Consents.* The execution, delivery, and performance by Station Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizational documents of Station Licensee; (b) to the actual knowledge of Station Licensee or its respective Affiliates, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Station Licensee; (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, license, or permit to which Station Licensee is a party or by which it is bound as of the date of this Agreement; and (d) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station owned by Station Licensee other than as set forth on Schedule 10.2(d).

10.3 *Absence of Litigation.* No proceeding is currently pending or, to the knowledge of Station Licensee, threatened against Station Licensee before any court or governmental agency to enjoin or prohibit, or which otherwise questions the validity of any action taken or to be taken in connection with this Agreement or the JSA.

11. ***Representations and Warranties of Service Provider.*** Service Provider represents and warrants to Station Licensee as follows:

11.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Service Provider have been duly authorized by all necessary organizational action on the part of Service Provider. This Agreement has been duly executed and delivered by Service Provider and constitutes the legal, valid, and binding obligation of Service Provider, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

11.2 *Absence of Conflicting Agreements and Required Consents.* The execution, delivery, and performance by Service Provider of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizing documents of Service Provider; (b) to the actual knowledge of Service Provider or its Affiliates, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Service Provider; and (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any

agreement, instrument, license or permit to which Service Provider is a party or by which it is bound as of the date hereof.

12. **Insurance.** Station Licensee shall maintain in effect policies of insurance insuring the assets and the business of the Station pursuant to the terms, and subject to the conditions, of the JSA.

13. **Termination.**

13.1 **Mutual Agreement.** This Agreement may be terminated at any time by mutual agreement of the parties. This Agreement shall terminate as of the time immediately following the consummation of the FCC Asset Purchase Agreement.

13.2 **Automatic Termination.** This Agreement shall terminate automatically without any further action by the parties upon the termination of the JSA in accordance with its terms.

13.3 **Certain Matters Upon Termination.** No expiration or termination of this Agreement shall terminate the obligations of any party hereto to indemnify any other party for Third Party Claims under Section 14 of this Agreement, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination or expiration.

14. **Indemnification.** After the Commencement Date, the indemnification provided by Article 8 of the JSA, the terms and conditions of which are hereby incorporated by reference and made be a part hereof, shall be the sole and exclusive remedy of Station Licensee and Service Provider against the other party for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Agreement; provided, that neither this Section 14 nor Section 8.7 of the JSA shall prohibit (a) injunctive relief (including specific performance) pursuant to Section 21 if available under Applicable Law or (b) any other remedy available at law or in equity for any fraud committed in connection with this Agreement.

15. **Force Majeure.** Any delay or interruption in the broadcast operation of the Station, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action, riots, natural disasters or any other cause not reasonably within the control of a party shall not constitute a breach of this Agreement, and no party shall be liable to any other party for any liability or obligation with respect thereto.

16. **Unenforceability.** Section 9.4 of the JSA is hereby incorporated by reference herein and made a part hereof.

17. **Notices.** All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be given in accordance with Section 9.10 of the JSA.

18. ***Assignment; Binding Agreement.*** Neither party may assign this Agreement or delegate its obligations under this Agreement without the prior written consent of the other. Notwithstanding anything to the contrary contained herein, each party shall assign its rights and obligations under this Agreement to any Person to whom it assigns its respective rights and obligations under the JSA. Upon any assignment of this Agreement, Station Licensee shall pay, or shall cause to be paid, all amounts accrued and owing to Service Provider as of the consummation date of such assignment and Service Provider shall pay, or shall cause to be paid, all amounts accrued and owing to Station Licensees as of the consummation date of such assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Any permitted assignee of any party hereto shall be a "party" to this Agreement for all purposes hereof.

19. ***Entire Agreement; Amendment; Waiver.*** This Agreement, the JSA, the Non-FCC Asset Purchase Agreement, the FCC Asset Purchase Agreement and the exhibits and schedules hereto and thereto, embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. Notwithstanding anything to the contrary contained herein or in any of the other Transaction Documents, the parties acknowledge and agree that Service Provider may offset any amount owed by Station Licensee to Service Provider pursuant to this Agreement as a credit against any amount owed by Service Provider to Station Licensee pursuant to any other Transaction Document. No term or provision hereof may be changed, modified, amended, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by the parties hereto. No waiver of any of the provisions or conditions of this Agreement or of any of the rights, powers or privileges of a party shall be effective or binding unless in writing and signed by the party claimed to have given or consented to such waiver.

20. ***Governing Law; Waiver of Jury Trial.*** Section 9.3 of the JSA is hereby incorporated by reference herein and made a part hereof.

21. ***Specific Performance.*** The parties hereby agree that the services to be provided hereunder are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, to the extent permitted by the Communications Act and the FCC Rules then in effect, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

22. ***Confidentiality.*** Each party hereto agrees that it will not at any time during or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other parties hereto. To the extent required by the Communications Act or the FCC Rules, each party shall place a copy of this Agreement in its

public inspection file and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

23. ***Setoff.*** Service Provider shall have the right to setoff any amount due hereunder by Station Licensee to Service Provider that is not paid to Service Provider within fifteen (15) days that such payment is due against any amounts previously owed, currently owed, or to be owed at any time in the future by Service Provider or any of its affiliates to Station Licensee or any of its affiliates under this Agreement or any other agreement to which Station Licensee and Service Provider or any of their affiliates are parties.

24. ***Press Release.*** Section 9.16 of the JSA is hereby incorporated by reference and made a part hereof.

25. ***Further Assurances.*** The parties hereto shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

26. ***Counterparts and Facsimile Signatures.*** This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument. This Agreement shall be legally binding and effective upon delivery of facsimile signatures or signature delivered by other electronic transmission.

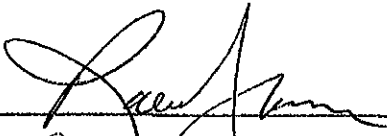
27. ***Captions.*** The captions used in this Agreement are for convenience of reference only, do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.

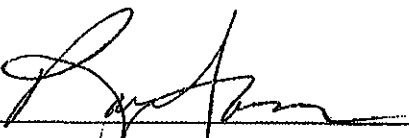
28. ***Other Definitional Provisions.*** The terms “hereof,” “herein” and “hereunder” and terms of similar import will refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references contained in this Agreement are references to Sections in this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the term “including” is used in this Agreement (whether or not that term is followed by the phrase “but not limited to” or “without limitation” or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

(Signatures on the following pages)

IN WITNESS WHEREOF the parties have executed this Shared Services Agreement as of the date first written above.

Station Licensee:

By: 
Name: Ralph Toddre
Title: President, IWCC, Manager of Sierra

By: 
Name: Ralph Toddre
Title: President, IWCC, Manager of Sierra

Service Provider:

Sinclair Television Group, Inc.

By: 

Name:

David B. Army

Title:

Secretary

SCHEDULE A
To
Shared Services Agreement

SERVICES FEES

For each calendar month during the Term, Station Licensee shall pay, or shall cause to be paid, to Service Provider the Services Fee, consisting of sum of the Base SSA Amount and a performance bonus (the "***Performance Bonus***"), if any. The Performance Bonus, if any, shall be determined as set forth in this Schedule A.

1. ***Definitions.*** The "***Base SSA Amount***" shall be an amount equal to \$415,000 per month for the initial period of twelve (12) months following the Commencement Date. The Base SSA Amount shall increase by an amount of one and one half percent (1.5%) beginning on the first anniversary of the Commencement Date, and each subsequent anniversary of the Commencement Date.

2. ***Determination of Performance Bonus.*** To the degree that Station Licensee determines in good faith and in its sole discretion that the performance of Service Provider has contributed to an increase in the performance of the Station, Service Provider shall be eligible to receive a Performance Bonus with respect to the applicable month, which, if any, shall be in an amount determined by Station Licensee to reflect the value of the services provided by Service Provider relative to the performance of the Station for such month, which determination shall be in the sole and absolute discretion of Station Licensee.

3. ***Administration and Payment of Services Fee.*** No later than the fifteenth (15th) day of each calendar month during the Term, Service Provider shall deliver to Station Licensee a statement (the "***Monthly Statement***") setting forth the total aggregate amount of Net Sales Revenue (as such term is defined in the JSA) for the preceding calendar month. Except as the parties may otherwise agree, the Services Fee shall be due and payable within five (5) business days after receipt by Station Licensee of such Monthly Statement and shall be subject to prior delivery and payment of the Licensee Revenue Share (as defined in the JSA) for such month. Solely in the event that Station Licensee shall determine, in its sole discretion, in accordance with Section 2 above of this *Schedule A*, that a Performance Bonus shall be payable in respect of a given month, Station Licensee shall notify Service Provider of such determination and the amount, if any, of such Performance Bonus and, in such event, the Monthly Statement shall be adjusted to reflect such Performance Bonus, which shall be payable (y) to the extent reasonably practicable with the Services Fee or (z) at such other time as Station Licensee shall reasonably determine. In order to promote the administration of the payment obligations between the parties under this Agreement and the JSA (individually and collectively, the "***Principal Agreements***"), the parties agree that (a) the amounts due and payable by one party under any of the Principal Agreements may be offset against any outstanding payment obligation by the other party under any of the Principal Agreements; and (b) to the extent reasonably practicable, Service Provider shall deliver to Station Licensee in connection with the payment of the Services Fee a single statement reflecting the respective payment obligations of the parties under each of the Principal Agreements, which statement shall reflect any offsetting amounts.

EXHIBIT 5
To
Shared Services Agreement

LEASE TERMS

Pursuant to the terms and subject to the conditions of this Agreement, Service Provider shall provide Station Licensee with office space, equipment, and furnishings in the studio and business facilities of the Service Station (the “*Service Provider Premises*”) as follows:

1. Lease

1.1 Beginning on the date hereof until the earlier of (i) this Agreement is terminated and (ii) the Non-FCC Asset Purchase Agreement is terminated pursuant to the terms thereof, for no additional rent, Service Provider shall provide to Station Licensee’s employees and agents the non-exclusive right, in common with Service Provider, to access and use of space and facilities in the applicable Service Provider Premises, including (a) accommodation of Station Licensee’s studio transmitter links, and (b) (i) furnishings and office equipment for a main studio for the Station and (ii) sufficient space to permit Station Licensee to maintain and make available to the public the Station’s public inspection file and otherwise satisfy the applicable “main studio” requirements under the FCC Rules at such locations in or near the Service Provider Premises, the grant of such rights as may be mutually acceptable to Service Provider and Station Licensee and in accordance with the FCC Rules, so long as the provision of such space and the use of such equipment do not unreasonably interfere with the conduct of Service Provider’s business or operations. Station Licensee acknowledges and agrees that (y) it inspected and accepts the Service Provider Premises in their “as is” condition, without any representations or warranties by Service Provider, or anyone acting or purporting to act on behalf of Service Provider, as to the present or future condition of such Service Provider Premises, except as specifically set forth in this Agreement; and (z) Service Provider shall have no obligation to perform any work therein, except as specifically set forth in this Agreement.

2. During the Term, Service Provider shall give Station Licensee and its agents a nonexclusive and unrestricted right of access, in common with Service Provider, to the space provided for Station Licensee at the Service Provider Premises under Section 1 of this Exhibit 5 at all times, subject only to Service Provider’s reasonable security procedures and rules applicable to its own employees, as the Station Licensee reasonably requires for the conduct of the business of the Station and to fulfill its obligations as an FCC licensee. Station Licensee shall not use the Service Provider Premises for any other purposes without the prior written consent of Service Provider. Station Licensee shall use and occupy the Service Provider Premises in compliance with all Applicable Laws, ordinances, requirements and regulations of any applicable governmental authority and in accordance with all superior leases, mortgages, deeds of trust and encumbrances of record. The rights granted under this section shall include the incidental benefit and reasonable right of use of utilities (heat, water, electricity and sewer) provided for purposes of Service Provider’s own operations. In addition, Service Provider shall provide separate and, to the extent reasonably practicable, lockable office facilities for use by Station Employees and, subject to Service Provider’s reasonable prior approval, shall permit Station Licensee to install appropriate signs on the inside and outside of the Service Provider

Premises (consistent with applicable local requirements governing such signage, if any, and the overall appearance of the Service Provider Premises) identifying Station Licensee as the licensee of the Station. No alterations or additions may be made to the Service Provider Premises without the prior written consent of Service Provider, in its sole and absolute discretion, except as otherwise permitted under the Agreement.

3. If this Agreement terminates and the Closing of the FCC Asset Agreement has not occurred, Station Licensee shall be given a transition period ("***Transition-Tail Period***") of ninety (90) days following the termination date of this Agreement to relocate its studio and shall surrender the Service Provider Premises at such time in substantially the same condition as Station Licensee received such Service Provider Premises upon commencement of the Initial Term (including removing all signage installed by Station Licensee), subject only to reasonable wear and tear. All costs incurred by Station Licensee with respect to relocating the operations of the main studio of the Station following such termination shall be paid by Station Licensee. During such Transition-Tail Period, Station Licensee shall have access to the Service Provider Premises in the same manner as during the Term. Such Transition-Tail Period may be lengthened upon such terms and conditions as may be mutually agreeable to the parties in writing. If Station Licensee holds over beyond the expiration of the Transition-Tail Period, then, in addition to all other rights and remedies of Service Provider provided by Applicable Law or by the terms of this Agreement, Station Licensee shall pay to Service Provider an amount equal to the Services Fee last payable by Station Licensee under this Agreement prior to termination of this Agreement, pro rated as a monthly amount, for each month or partial month of such holdover; provided, that, in such event, at any time, Service Provider, without waiving any other remedy that it may have, may use legal process to enter upon, take possession of the Service Provider Premises and expel or remove Station Licensee and any other person in occupancy thereof from the Studio Facility. Nothing contained in this Agreement shall be deemed a consent by Service Provider to the holding over by Station Licensee, nor a waiver of any other remedy which may be available to Service Provider. The obligations of Station Licensee under this Section 3 shall survive the termination of this Agreement.

4. Station Licensee shall not assign its rights under this Exhibit 5 or sublet or permit the occupancy or use of Service Provider Premises by any Person or entity other than Station Licensee, except as otherwise permitted under this Agreement.

5. Without the necessity of any additional document being executed by Station Licensee for the purpose of effecting a subordination, this Agreement shall be subject and subordinate at all times to ground or underlying leases and to the lien of any mortgages or deeds of trust now or hereafter placed on, against or affecting the Service Provider Premises, Station Licensee's interest or estate in the Service Provider Premises, or any ground or underlying lease; provided, that if the lessor, mortgagee, trustee, or holder of any such mortgage or deed of trust elects to have Station Licensee's interest in this Agreement be superior to any such instrument, then, by notice to Station Licensee, this Agreement shall be deemed superior, whether this Agreement was executed before or after said instrument; provided, however, no such lien shall attach to the assets owned by Station Licensee. Notwithstanding the foregoing, Station Licensee covenants and agrees to execute and deliver within ten (10) days after delivery of Service Provider's written request such further instruments evidencing such subordination or superiority

of this Agreement as may be reasonably required by Service Provider. Within ten (10) days following delivery of any written request which Service Provider may make from time to time, Station Licensee shall execute and deliver to Service Provider or mortgagee or prospective mortgagee a sworn statement certifying such matters as may be reasonably requested by Service Provider.

6. With respect to any Service Provider Premises that are subject to a lease agreement with a third party, Station Licensee's rights under this Exhibit 5 shall automatically terminate upon the termination for any reason (including by reason of casualty or condemnation) of any superior lease for the Service Provider Premises. Station Licensee shall occupy the Service Provider Premises in compliance with any superior lease. Station Licensee shall have no rights under the superior lease for the Service Provider Premises, including any assignment or subletting, extension, renewal, first offer or purchase rights. Service Provider shall not be responsible for the failure of lessor or other counterparty to the superior lease for the Service Provider Premises to provide any services or utilities or access to the Service Provider Premises; provided, that to the extent of any failure of services, utilities or access, Service Provider shall use reasonable efforts to obtain such services, utilities or access from its landlord.

JOINT SALES AGREEMENT

THIS JOINT SALES AGREEMENT (this "**Agreement**") is entered into on November 21, 2013, by and between Sierra Communications, LLC ("**Sierra**") and Ruby Mountain Broadcasting, LLC ("**Ruby**", together with Sierra, the "**Station Licensees**"), and Sinclair Television Group, Inc. ("**Sales Agent**").

WITNESSETH:

WHEREAS, Sierra and Ruby have entered into that certain Asset Purchase Agreement dated as of November 18, 2013 with Chesapeake Media I, LLC (the "**Non-FCC Asset Purchase Agreement**") pursuant to which Sales Agent will purchase and acquire certain assets of television broadcast station KRNV-DT and KENV-DT (the "**Stations**") (not including the FCC licenses). Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Non-FCC Asset Purchase Agreement;

WHEREAS, Station Licensees have entered into that certain Asset Purchase Agreement dated as of November 18, 2013 with Chesapeake Media I, LLC (the "**FCC Asset Purchase Agreement**") pursuant to which, upon and following the consent of the FCC (as defined below), Sales Agent, or its designee, will purchase and acquire the FCC licenses and certain assets of the Stations from the Station Licensees.

WHEREAS, Sales Agent or its affiliate owns the licenses and certain assets of television station KRXI-TV (the "**Service Station**");

WHEREAS, to obtain important efficiencies through the sales and other capabilities of the Sales Agent, which are likely to advance the efficient promotion of the business development of the Stations, the parties hereto desire to enter into this Agreement; and

WHEREAS, simultaneously with the execution and delivery of this Agreement, and in view of the desire of the parties to obtain important efficiencies through shared services provided by the Service Station, and the role such services are likely to provide in the efficient promotion of the business development of the Station, the parties hereto are entering into that certain Shared Services Agreement, dated as of the date hereof (the "**SSA**"), with respect to which Sales Agent (as Service Provider) shall provide certain services and make available to the Station Licensees certain technical and other capabilities.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises, undertakings, covenants and agreements of the parties contained in this Agreement, the parties hereto, intending to be legally bound, hereby agree as follows:

Article I.
DEFINITIONS

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

“Affiliate” means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, without limitation, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of directors (or comparable governing body) of such Person, or (B) owns a majority of the beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

“Applicable Law” means any of the Communications Act, the FCC Rules, and all other federal, state and local constitutions, laws, statutes, codes, rules, regulations, ordinances, judgments, orders, decrees and the like of any governmental entity, including common law.

“Commencement Date” means the closing date of the Non-FCC Asset Purchase Agreement.

“Communications Act” means the Communications Act of 1934, as amended, as in effect from time to time.

“FCC” means the Federal Communications Commission or any successor agency thereto.

“FCC Rules” means the rules and published policies of the FCC, as in effect from time to time.

“Market” means the Reno, NV, Designated Market Area (as defined by The Nielsen Company).

“Network” means any national television network party to any network affiliation agreement to which Station Licensee is a party with respect to the Station.

“Non-Primary Spectrum” means the portion of the Station’s digital broadcast spectrum authorized by the FCC for the operation of the Station that is not used or intended for use in the transmission of the Station’s Primary Channel.

“Obligations of Sales Agent” means any and all obligations and duties of Sales Agent under (i) this Agreement, and (ii) the SSA.

“Person” includes, without limitation, natural persons, corporations, business trusts, associations, companies, joint ventures, and partnerships.

“Primary Channel” means that portion of the program transport feed of the Station’s digital signal that constitutes the primary video and audio presentation of the Station’s digital signal.

“Third Party Claim” means any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement.

“Transaction Documents” means this Agreement, the SSA, and the other documents, agreements and instruments executed by the parties hereto and thereto in connection therewith.

Section 1.2 **Additional Defined Terms.** In addition to the defined terms in the preamble, recitals and Section 1.1 hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<u>Term</u>	<u>Section</u>
Advertisements	Section 4.1(a)
Broadcast Material	Section 4.3
Delivered Programming	Section 4.2
Designated Expenses	Schedule 3.1
Disclosure Statement	Section 5.2(c)
Indemnified Party	Section 8.4(a)
Indemnifying Party	Section 8.4(a)
Initial Term	Section 2(a)
JSA Fee	Section 3.1(a)
Licensee Revenue Share	Section 3.1(a)
Loss	Section 8.1
Management Agreement	Section 5.1(j)
National Advertisements	Section 4.1(a)
Net Sales Revenue	Schedule 3.1
Operating Budget	Section 5.1(d)
Other Advertisements	Section 4.1(a)
Other Expenses	Schedule 3.1
Policy Statement	Section 4.3
Principal Agreements	Section 9.3
PSAs	Section 4.1(b)
Sales Agent Assignee	Section 9.14(a)
Sales Agent Indemnified Party	Section 8.2
Station Expenses	Schedule 3.1
Station Indemnified Party	Section 8.1
Television Advertisements	Section 4.1(a)
Term	Section 2.1(b)
Website Advertising	Section 4.1(c)

Article II.

TERMSection 2.1 *Term.*

(a) *Initial Term.* This Agreement shall be deemed effective, and the initial term hereof shall commence, on and as of 12:01 a.m., local Station time on the Commencement Date and such initial term (the “*Initial Term*”) shall continue until the eighth (8th) anniversary of the Commencement Date, unless terminated in accordance with Section 2.2 below.

(b) *Renewal Term.* This Agreement shall be renewed automatically for successive eight-year renewal terms (the Initial Term and any such renewal term hereinafter referred to as the “*Term*”) unless Sales Agent provides the Station Licensee with written notice of non-renewal at least one hundred eighty (180) days prior to the expiration of the then-current Term.

Section 2.2 *Termination.* This Agreement may be terminated prior to the expiration of the Term as follows:

(a) By either Station Licensee or Sales Agent, by written notice to the other party, if, subject to Section 9.4, this Agreement shall have been declared invalid or illegal in whole or in material part by an order or a decree of the FCC or any other administrative agency or court of competent jurisdiction, and such order or decree shall have become final and shall no longer be subject to further administrative or judicial review;

(b) Automatically at 12:01 a.m. on the date of the closing pursuant to the FCC Asset Purchase Agreement (“*Closing*”);

(c) Automatically upon the termination of the SSA;

(d) By the mutual consent of Station Licensee and Sales Agent;

(e) By Station Licensee, by written notice to Sales Agent if Sales Agent fails to observe or perform a material obligation contained in this Agreement in any material respect or breaches any representation, warranty or covenant made by it under this Agreement in any material respect;

(f) By Sales Agent, by written notice to Station Licensee if Station Licensee fails to observe or perform any obligation contained in this Agreement in any material respect or breaches any representation, warranty or covenant made by it under this Agreement in any material respect;

(g) By Sales Agent, upon the termination of the Non-FCC Asset Purchase Agreement or the FCC Asset Purchase Agreement by Sales Agent as a result of the Station Licensee’s uncured breach of its obligations thereunder; or

(h) By Station Licensee, upon the termination of the Non-FCC Asset Purchase Agreement by Station Licensee as a result of the Sales Agent's uncured breach of its obligations thereunder.

Notwithstanding the foregoing, any breach or default under Section 2.2(e), (f) or (g) will not be deemed to have occurred until 15 calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the event of default and such event of default remains uncured. Upon the occurrence of an event of default, and in the absence of a timely cure pursuant to this Section 2.2, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party.

Section 2.3 *Certain Matters Upon Termination.*

(a) *Continuing Obligations.* No expiration or termination of this Agreement shall terminate the indemnification obligations of Sales Agent or Station Licensee hereunder, relieve a party of any obligation or liability for breach or default prior to termination, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination.

(b) *Cooperation.* If this Agreement expires or is terminated for any reason, the parties shall cooperate in good faith to restore the status quo ante. Notwithstanding anything to the contrary contained in this Agreement, if this Agreement is terminated pursuant to Section 2.2(b) following the Closing, the parties shall cooperate with each other as may be reasonably requested to effect an allocation of the revenues and expenses for any partial calendar month resulting from such termination or to effect any working capital payment required in connection with such.

(c) *Further Assurances.* Without limiting the foregoing, upon termination of this Agreement for any reason, Sales Agent shall immediately deliver to Station Licensee any equipment or property of the Station used by Sales Agent, its employees or agents, in the same condition as such equipment existed on the Commencement Date, reasonable and ordinary wear and tear excepted and Station Licensee shall offer employment to Transferred Employees at a monetary compensation (consisting of base salary, commission rate and normal bonus opportunity) and on terms and conditions that are at least as favorable as those provided by Station Licensee immediately prior to the Employment Commencement Date; provided, however, that the provisions of this Section 2.3(c) shall not apply in the event of termination of this Agreement pursuant to Section 2.2(b) following the Closing.

Article III. CONSIDERATION

Section 3.1 *Licensee Revenue Share and JSA Fee.*

(a) *JSA Fee.* As consideration for the services of Sales Agent hereunder, with respect to each calendar month during the Term, Sales Agent shall have the right to retain an amount equal to thirty percent (30%) of the total amount of Net Sales Revenue for such calendar month as its commission with respect to its sales agency, programming and other duties hereunder (the "*JSA Fee*"). With respect to each such calendar month during the Term, Sales Agent shall pay

over to Station Licensee an amount equal to the remaining seventy percent (70%) of the total amount of Net Sales Revenue for the applicable calendar month (the “**Licensee Revenue Share**”).

(b) *Due Date.* The Licensee Revenue Share shall be due and payable on the fifteenth (15th) business day of each calendar month and such Licensee Revenue Share and the corresponding JSA Fee shall be calculated with respect to the immediately preceding calendar month in accordance with Schedule 3.1. The Licensee Revenue Share and JSA Fee shall be prorated for any partial calendar month during the Term.

Article IV. SCOPE OF SERVICES

Section 4.1 *Sales and Related Services.*

(a) *Station Sales.* Except as expressly provided to the contrary herein, Station Licensee retains Sales Agent on an exclusive basis to market and sell all forms of regional and local spot advertising (including political advertising), sponsorships, direct response advertising, paid programming (including infomercials), and all long-form advertising broadcast on the Station, including, for the avoidance of doubt, on the Station’s Primary Channel and its Non-Primary Spectrum (the “**Television Advertisements**”) and all forms of advertisements relating to distribution of the Station’s programming or otherwise utilizing the spectrum allocated to the Station, whether by mobile device or other means of distribution, whether or not now existing (the “**Other Advertisements**”), during the Term. National advertisements broadcast on the Station (the “**National Advertisements**”) shall be sold by Station Licensee’s national rep firm. Sales Agent shall determine the placement and duration of the Television Advertisements, Other Advertisements, National Advertisements and Website Advertising (as hereinafter defined) (collectively, the “**Advertisements**”); *provided, however*, that Station Licensee shall retain ultimate authority with respect to establishing or setting rates for Advertisements. Sales Agent may sell the Advertisements in combination with the advertisements of the Service Station; *provided, however*, that under no circumstances may Sales Agent require advertisers to purchase time on the Station and the Service Station or any other station together.

(b) *PSA Placements.* Sales Agent acknowledges that the Station has in the past provided time for the promotion of public service organizations in the form of public service announcements (“**PSAs**”), and agrees to release spot time to Station Licensee for the broadcast of PSAs at times and in amounts consistent with the Station’s past practices. Sales Agent and Station Licensee shall cooperate in good faith concerning the placement of the PSAs to be broadcast on the Station; *provided, however*, that Station Licensee shall be ultimately responsible for selecting, obtaining and scheduling PSAs for broadcast on the Station.

(c) *Station Websites.* Sales Agent shall have the exclusive right to sell any and all advertising on the Station Websites (as defined in the SSA), including display advertising that appears in the same pageview as, or adjacent to, editorial content on such website, or advertising embedded into audio or visual content posted or otherwise displayed on such websites (including text ads, banner ads, instream ads, pre-roll ads, wallpaper ads, video ads and sponsorships) and (b) on any mobile applications or other new technology (collectively “**Website Advertising**”).

Section 4.2 ***Delivered Programming.*** Commencing on and after the Commencement Date, Sales Agent shall have the right to provide to the Station Licensee for broadcast, simulcast or rebroadcast on the Station, upon prior notice to Station Licensee, local news and other programming (the “***Delivered Programming***”), which Delivered Programming shall be less than twenty-five (25) hours per week and less than fifteen percent (15%) of the Station’s broadcast hours for any week. Sales Agent shall be responsible for obtaining the rights to broadcast the Delivered Programming on the Station and for paying all costs incurred in obtaining such rights. To the extent permission is required to rebroadcast any Delivered Programming under Section 325 of the Communications Act, Sales Agent hereby grants Station Licensee such permission. The Delivered Programming shall be subject to Sales Agent’s editorial judgment and the requirements of Section 4.3, including but not limited to the right of rejection or preemption of Station Licensee. All Delivered Programming shall be in conformity in all material respects with standards established by Station Licensee and consistent with similar programming broadcast on Sales Agent’s own television broadcast stations and shall otherwise conform to all Applicable Law, including the Communications Act, the FCC Rules and the intellectual property rights of third parties.

Section 4.3 ***Content Policies.*** All material furnished by Sales Agent for broadcast on the Station, including all Delivered Programming and Advertisements (collectively, “***Broadcast Material***”), shall comply with applicable federal, state and local regulations and policies, including commercial limits in children’s programming. Station Licensee may reject any Broadcast Material if Station Licensee reasonably determines that the broadcast of such material would violate Applicable Law or would otherwise be contrary to the public interest. Station Licensee shall promptly notify Sales Agent of any such rejection or rescheduling and shall cooperate with Sales Agent in efforts to fulfill commitments to advertisers. Schedule 4.3 sets forth Station Licensee’s statement of policy (the “***Policy Statement***”). Sales Agent shall ensure that all Broadcast Material is in compliance with the terms of this Agreement and the Policy Statement

Section 4.4 ***Pre-Commencement Accounts Receivable.*** In accordance with the Non-FCC Asset Purchase Agreement and for the avoidance of doubt, any accounts receivable or revenue accrued as of the time prior to the Commencement Date shall not be included in Net Sales Revenue.

Section 4.5 ***Monthly Reports; Books and Records.*** The following obligations shall begin on the first day of the first full calendar month beginning on or after the Commencement Date:

(a) On or before the fifteenth (15th) business day of each calendar month during the Term, Sales Agent shall furnish Station Licensee with a report regarding Sales Agent’s sales by advertiser of the Advertisements for the previous calendar month. Without limiting Schedule 3.1 hereof, Station Licensee shall have the right to review the books and records of Sales Agent at reasonable times and upon reasonable notice, with respect to the sale of Advertisements and any other sales by Sales Agent in connection with or related to its sale of the Advertisements for the Station.

(b) Station Licensee shall furnish to Sales Agent information each month with respect to Station Expenses. Upon reasonable prior notice, Sales Agent shall have the right at all reasonable times to review (and the right, at Sales Agent's expense, to make copies of) the books and records of Station Licensee, *provided* that the foregoing access shall not interfere unreasonably with the Station's business.

(c) The audit and inspection rights of Sales Agent under this Section 4.5 shall survive any termination or expiration of this Agreement for a period of two (2) years.

Section 4.6 ***Control.*** Notwithstanding anything to the contrary in this Agreement, the parties hereto acknowledge and agree that, during the Term, Station Licensee will maintain ultimate control and authority over the Station, including, specifically, control and authority over the Station's operations, finances, personnel and programming. Without limiting the generality of the foregoing, nothing contained in this Agreement shall be deemed to limit the control and authority of Station Licensee with respect to the selection, development and acquisition of any and all programming to be broadcast over the Station, as well as the payment therefore, other than those payments of Sales Agent associated with the Delivered Programming. To that end, Station Licensee shall (a) have exclusive authority for the negotiation, preparation, execution and implementation of any and all programming agreements for the Station, and (b) retain and hire or utilize whatever employees Station Licensee reasonably deems appropriate or necessary to fulfill those programming functions. Without limiting the generality of the foregoing, Station Licensee shall employ at least two full-time employees (and no fewer than the number required to comply with Applicable Law) in connection with the business, management and programming of the Station, one of whom shall be the station manager. Sales Agent shall not represent, warrant or hold itself out as the licensee of the Station, and all sales material prepared by Sales Agent for the sale of advertising time on the Station shall identify Station Licensee as the licensee of the Station using mutually agreeable wording and references. Sales Agent shall sell advertising time and enter into all agreements for the sale of time on the Station and for the Delivered Programming in its own name.

Article V.

OTHER OBLIGATIONS OF THE PARTIES

Section 5.1 ***Responsibilities of Station Licensee.*** Station Licensee, at its expense, shall be responsible for and perform the following obligations with respect to the business and operations of the Station during the Term, in accordance with and subject to the following provisions:

(a) ***Control.*** Notwithstanding any provision to the contrary in this Agreement, Station Licensee shall continue to maintain full control over the operations of the Station, including programming editorial policies, employees of Station Licensee and Station Licensee-controlled facilities. Station Licensee shall be responsible for, and shall comply in all material respects with all applicable provisions of the Communications Act, the FCC Rules and all other Applicable Law with respect to the operation of the Station. Station Licensee shall file in a timely and complete manner all reports and applications required to be filed with the FCC or any

other governmental body. During the Term, Station Licensee shall cooperate with Sales Agent's commercially reasonable efforts to preserve substantially intact the relationships of the Station with its customers, suppliers, licensors, licensees, distributors and others with whom the Station deals.

(b) *Insurance.* Station Licensee shall maintain in effect policies of insurance insuring the assets and the business of the Station in accordance with good industry practices.

(c) *Assets.* Station Licensee shall use, operate, and maintain all of its assets in a commercially reasonable manner and consistent with Station Licensee's past practices. If any loss, damage, impairment, confiscation or condemnation of any of such assets occurs, Station Licensee shall use commercially reasonable efforts and cooperate with Sales Agent to repair, replace, or restore the assets to their prior condition as soon thereafter as reasonably practicable, and Station Licensee shall use the proceeds of any claim under any insurance policy to repair, replace or restore any of the assets of the Station that are lost, damaged, impaired or destroyed. Station Licensee shall not sell, lease, license or otherwise dispose of or encumber any of its assets used in the operation of the Station except immaterial assets in the ordinary course of business consistent with past practices.

(d) *Operating Costs.* Station Licensee shall be responsible for payment of all operating costs of the Station (excluding those costs to be borne by Sales Agent in accordance with Sections 4.2 and 5.2), including the cost of electricity, other utilities and rental or other payments with respect to any real property leased by Station Licensee, taxes, the Services Fee (as defined in the SSA) and the salaries, insurance, and other costs for all personnel employed by Station Licensee and, without limiting the foregoing, shall pay all other Station Expenses, as defined in Schedule 3.1. Promptly following the Commencement Date, but in no event more than thirty (30) days thereafter, Station Licensee shall provide Sales Agent a copy of the operating budget of the Station (collectively, the "***Operating Budget***"), which shall reflect Station Licensee's good faith budget of reasonable and customary capital and other expenses necessary to the operations of the Station and not otherwise contemplated by the Designated Expenses, as determined by Station Licensee in its sole and absolute discretion. Station Licensee shall provide updated copies of the Operating Budget each year during the Term, identifying adjustments from year to year.

(e) *Music Royalties.* Subject to the Obligations of Sales Agent, Station Licensee shall pay when due all music rights payments (including, without limitation, music performance rights, synchronization rights, and master use rights), if any, in connection with the broadcast and/or transmission of all announcements, including the Advertisements, and programming on the Station other than the Delivered Programming.

(f) *Station Costs and Expenses.* Station Licensee shall be solely responsible for all costs and expenditures associated with the procuring of programming to be aired on the Station, other than those associated with the Delivered Programming. Station Licensee shall pay over to Sales Agent all funds received by Station Licensee each year from the Network and any other program syndicator or supplier for promotion of the Network and other programming on other stations or media, and Sales Agent shall use all such funds solely for their intended promotional or other similar purposes and in accordance with Section 6.2 of the SSA. Station Licensee shall

cooperate with Sales Agent in filing any necessary forms or reports required to obtain co-op reimbursement or other funds to which Sales Agent is entitled under this Section 5.1(f). For the purposes of Schedule 3.1 hereof, Sales Agent's receipt of promotional or co-op payments identified in this Section 5.1(f) shall not be considered a part of Net Sales Revenue and its expenditures of such promotional or co-op payments shall not be considered an expense for purposes of calculating Net Sales Revenue. To the extent that any network or program service agreement of Station Licensee provides that, in exchange for cash payment, additional spot time that otherwise would be used by such network or program service may be released for local sales by the Station, Station Licensee, upon request by the Sales Agent, will obtain the release of such commercial spot inventory for the placement of Advertisement by the Sales Agent, subject to Sales Agent paying to Station Licensee the cash amount required for such release before such payment is due by Station Licensee under such network or program service agreement of Station Licensee.

(g) *Retransmission Consent.* Subject to the SSA, including without limitation Section 4 thereof, and to the provisions of any network affiliation or other programming agreement to which Station Licensee is a party, Station Licensee shall consult and cooperate with Sales Agent in the negotiation, maintenance and enforcement of retransmission consent agreements with cable, satellite and other multichannel video providers. Upon Station Licensee's request and subject to Station Licensee's ultimate approval, execution and delivery of each retransmission consent agreement in the sole discretion of Station Licensee, Sales Agent shall also act as Station Licensee's agent with respect to the negotiation of any such retransmission consent agreements.

(h) *FCC Licenses.* Station Licensee shall not take any action or unreasonably omit to take any action that would be reasonably likely to result in a (i) revocation, non-renewal or material impairment of the FCC Licenses, (ii) material adverse effect upon the Station's transmitters, antennas and other material assets included in the Station's transmission facilities or (iii) material breach or default under the terms of any of the agreements to which Station Licensee is a party on and as of the date hereof.

(i) *Sales Representation.* Station Licensee shall list Sales Agent as the exclusive sales representative for the Advertisements in all applicable trade listings and advertising and promotional material if and when such listings and material are published by Station Licensee.

(j) *Limitations.* During the Term, Station Licensee shall not: (i) engage in any business other than the business of owning and operating the Station; (ii) incur any liabilities or obligations, except those liabilities and obligations incurred in connection with its business conducted in compliance with clause (i) of this Section 5.1(j); (iii) file a voluntary petition in bankruptcy, any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment of debt, liquidation or dissolution or similar relief under any present or future insolvency statute, law or regulation of any jurisdiction; petition or apply to any tribunal for any receiver, custodian or any trustee for substantially all of its properties or assets; file any answer to any such petition admitting or not contesting the material allegations of any such petition sufficient to support the grant or approval of any such order, judgment or decree; seek, approve or consent to any such proceeding or in the appointment of any trustee, receiver, sequestrator, custodian, liquidator or fiscal agent for it or substantially all of its properties or assets; or take any action for the purpose of effecting any of the foregoing; or be the subject of an

order entered appointing any such trustee, receiver, custodian, liquidator or fiscal agent or (iv) amend or modify any provision of that certain management agreement by and between Station Licensees and Intermountain West Communications Company (IWCC), dated as of the date hereof (the “*Management Agreement*”).

Section 5.2 *Responsibilities of Sales Agent.* Sales Agent, at its expense and subject to the provisions of Schedule 3.1, shall be responsible for and perform the following obligations with respect to the marketing and sale of the Advertisements during the Term in accordance with and subject to the following provisions:

(a) *Commissions and Expenses.* Sales Agent shall be solely responsible for (i) all commissions to its employees, agencies or representatives and other expenses incurred in its marketing and sale of the Advertisements; (ii) all expenses incurred in its performance of traffic, billing and collections functions with respect to the Advertisements; (iii) any other fees incurred in performing its obligations under this Agreement; and (iv) all fees related to the software used for sales, traffic, billing and similar functions including any fees charged by the provider to make Sales Agent’s software interface in the most efficient manner with the Station’s master control equipment.

(b) *Salaries.* Sales Agent shall be solely responsible for the salaries, taxes and related costs for all personnel employed by Sales Agent in the sale of the Advertisements and the collection of accounts receivable (including salespeople, billing personnel and traffic personnel).

(c) *FCC Rules Compliance.* Sales Agent shall cooperate with Station Licensee and Sales Agent shall use commercially reasonable efforts to assist Station Licensee in complying with the provisions of the Communications Act and FCC Rules regarding political advertising, including compliance with Station Licensee’s statement disclosing political advertising rates and practices for purchasers of political advertising consistent with Applicable Law (“*Disclosure Statement*”). Sales Agent shall supply such information promptly to Station Licensee as may be necessary to comply with the public inspection file, lowest unit rate, equal opportunities and reasonable access requirements of the Communications Act and FCC Rules. If the Station fails to meet the political time obligations under the Communications Act and FCC Rules based on the advertising sold by Sales Agent, then, to the extent reasonably necessary to enable Station Licensee to cause the Station to comply with such political time obligations, Sales Agent shall release advertising availabilities to Station Licensee; *provided, however*, that all revenues realized by Station Licensee from the sale of such advertising time shall be immediately paid to Sales Agent and shall be considered a part of Net Sales Revenue.

(d) *Audience Measurement.* The parties acknowledge and agree that the acquisition or provision of audience measurement services is material to the performance by Sales Agent of its services hereunder and the SSA and, accordingly, Sales Agent shall have, subject to Section 4.6 hereof, the right to direct the management of such audience measurement and related services for the Station on behalf of Station Licensee.

(e) *Compliance.* All Broadcast Material shall comply in all material respects with the Policy Statement, the Communications Act, the FCC Rules and other Applicable Law and shall not violate the intellectual property rights of any Person. All services to be provided and all

obligations to be performed by Sales Agent hereunder shall comply in all material respects with all Applicable Law, including without limitation the Communications Act and FCC Rules, and standards of performance customary for the broadcast television industry.

(f) *Non-Discrimination.* In accordance with Paragraphs 49 and 50 of United States Federal Communications Commission Report and Order No. FCC 07-217, Sales Agent shall not discriminate in any contract for advertising on the Stations on the basis of race or ethnicity, and all such contracts shall be evaluated, negotiated and completed without regard to race or ethnicity. Sales Agent shall include a clause to such effect in all contracts for advertising on the Station, and if requested shall provide written confirmation of compliance with such requirement.

Section 5.3 *Delivery of Broadcast Material.* All Broadcast Material shall be delivered to the Station in a format to be mutually agreed upon by the parties hereto, in a form ready for broadcast on the Station's existing playback equipment, and with quality suitable for broadcast. Station Licensee shall not be required to provide production services or to copy, reformat or otherwise manipulate material furnished by Sales Agent other than inserting tape cartridges or similar broadcast-ready media into machinery or computers for broadcast.

Section 5.4 *Access to Information.* In order to ensure compliance with the Communications Act, the FCC Rules and other Applicable Law, Station Licensee shall be entitled to review at its reasonable discretion from time to time any Broadcast Material that Station Licensee may reasonably request. Sales Agent also shall maintain and deliver to the Station such records and information required by the FCC Rules to be placed in the public inspection files of the Station pertaining to the sale of political programming and advertisements, in accordance with the provisions of Sections 73.1940 and 73.3526 of the FCC Rules, and to the sale of sponsored programming addressing political issues or controversial issues of public importance, in accordance with the provisions of Section 73.1212 of the FCC Rules. Station Licensee shall be responsible for placing all required information in the Station's online public inspection file, including but not limited to any required information as to political advertising. Sales Agent shall furnish to Station Licensee upon request any other information that is reasonably necessary to enable Station Licensee to prepare any records or reports required by the FCC or other governmental entities. Nothing in this Section 5.4 shall entitle Station Licensee to review the internal corporate or financial records of Sales Agent. Station Licensee shall keep confidential any information obtained from Sales Agent in connection with this Agreement, except as and to the extent required by Applicable Law. If this Agreement is terminated, Station Licensee shall return to Sales Agent all information obtained by it from Sales Agent in connection with this Agreement. This Section 5.4 shall survive any termination or expiration of this Agreement for a period of three (3) years.

Article VI.

REPRESENTATIONS AND WARRANTIES OF STATION LICENSEE

Station Licensee represents and warrants to Sales Agent as follows:

Section 6.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Station Licensee has been duly authorized by all necessary

organizational action on the part of Station Licensee. This Agreement has been duly executed and delivered by Station Licensee and constitutes the legal, valid, and binding obligation of it, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization, or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

Section 6.2 ***Absence of Conflicting Agreements or Consents.*** The execution, delivery, and performance by Station Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizational documents of Station Licensee; (b) to the actual knowledge of Station Licensee, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Station Licensee; (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, license, or permit to which Station Licensee is a party or by which it is bound as of the date hereof; and (d) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station owned by Station Licensee, other than any lien for current taxes, payments of which are not yet due and payable, or liens in respect of pledges or deposits under worker's compensation laws or similar legislation, carriers', warehousemen's, mechanics', laborers' and materialmen's and similar liens, if the obligations secured by such liens are not then delinquent or are being contested in good faith by appropriate proceedings.

Article VII.

REPRESENTATIONS AND WARRANTIES OF SALES AGENT

Sales Agent represents and warrants to Station Licensee as follows:

Section 7.1 ***Authorization and Binding Obligation.*** The execution, delivery, and performance of this Agreement by Sales Agent have been duly authorized by all necessary organizational action on the part of Sales Agent. This Agreement has been duly executed and delivered by Sales Agent and constitutes the legal, valid, and binding obligation of Sales Agent, enforceable against Sales Agent in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

Section 7.2 ***Absence of Conflicting Agreements and Required Consents.*** The execution, delivery, and performance by Sales Agent of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the governing documents of Sales Agent; (b) to the actual knowledge of Sales Agent, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to such party; and (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or

permit the acceleration of any performance required by the terms of, any agreement, instrument, license or permit to which Sales Agent is a party or by which it is bound as of the date hereof.

Article VIII.

INDEMNIFICATION AND REMEDIES

Section 8.1 ***By Sales Agent.*** Sales Agent shall indemnify, defend and hold harmless Station Licensee and any employee, director, member, manager, officer, stockholder, or agent of Station Licensee, or any of its Affiliates, successors or assignees (exclusive of Sales Agent and its Affiliates and agents) (each, a “***Station Indemnified Party***”), from and against, and reimburse and pay to such Station Indemnified Party as incurred, any loss, liability, damage or expense (including reasonable legal expenses and costs and any cost or expense arising from or incurred in connection with any action, suit, proceeding, claim or judgment) relating to any matter described in this Section 8.1, or in enforcing the indemnity provided by this Section 8.1 (any such amount being a “***Loss***”), which any such Station Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(a) any breach by Sales Agent of any representation, warranty, covenant or other agreement hereunder or any act or omission, event or occurrence that was or shall be caused by Sales Agent, its agents or Affiliates (including any predecessor in interest thereto) relating to the business of Sales Agent or the Station;

(b) any action taken by such party or its employees or agents with respect to the Stations, or any failure by such party or its employees or agents to take any action with respect to the Stations, including but not limited to such party’s payment and performance of obligations and liabilities, unless resulting from a failure by the other party to perform hereunder, including but not limited to any omission by Sales Agent or breach by Sales Agent (including any predecessor in interest to Sales Agent) of any of its obligations hereunder or under the SSA;

(c) any Broadcast Material, including but not limited to any claim for indecency, libel, slander, infringement of copyright or other intellectual property right, or violation of any right of privacy or proprietary right or violation of FCC rules or other applicable law, as a result of the broadcast on the Station of any Broadcast Material;

(d) Sales Agent’s use of the studios or equipment of the Station;

(e) any other claims of any nature, including any investigation initiated or fines or forfeitures imposed by the FCC, as a result of the broadcast on the Stations of any Broadcast Material.

The obligations of Sales Agent under this Section 8.1 shall survive any termination or expiration of this Agreement or the SSA, as applicable. The obligations of Sales Agent under this Section 8.1 shall be direct and not conditioned or conditional upon Station Licensee’s pursuit of remedies against any other party. Notwithstanding anything to the contrary contained herein or in the SSA, in no event shall Sales Agent be liable under this Section 8.1 for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with Applicable Law.

Section 8.2 **By Station Licensee.** Except with respect to or to the extent of any Loss subject to indemnification pursuant to the terms and subject to the conditions of Section 8.1 and subject to the limitations set forth in Section 14 of the SSA, Station Licensee shall indemnify, defend and hold harmless Sales Agent and any employee, director, member, manager, officer, stockholder or agent of Sales Agent, or any of its Affiliates, successors or assignees (each, a ***"Sales Agent Indemnified Party"***) from and against, and reimburse and pay to such Sales Agent Indemnified Party, as incurred, any Loss, which any such Sales Agent Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(a) any libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from or relating to all material broadcast on the Station following the Commencement Date other than the Advertisements and with respect to which Station Licensee had notice or otherwise should have been reasonably aware; and

(b) the actions or omissions of Station Licensee's employees and representatives in performing their duties under this Agreement or the SSA or in acting outside the scope of their employment, which actions or omissions constitute willful misconduct or gross negligence.

Section 8.3 **Maximum Liability.** The indemnification obligations of Station Licensee hereunder and under the SSA, in the aggregate, shall in no event exceed a maximum aggregate liability equal to the aggregate amount of the difference between (a) the total aggregate amount of Licensee Revenue Share retained by or otherwise paid over to Station Licensee hereunder, minus (b) all Services Fees paid to Sales Agent (as Service Provider as defined in the SSA) under the SSA.

Section 8.4 **Procedure.** If party entitled to indemnification (an ***"Indemnified Party"***) under this Agreement or the SSA shall notify the party from whom indemnification is to be sought (an ***"Indemnifying Party"***) of any claim or demand pursuant to Sections 8.1 or 8.2, and if such claim or demand relates to a claim or demand asserted by a third party against the Indemnified Party that the Indemnifying Party acknowledges is a claim or demand for which it must indemnify or hold harmless the Indemnified Party under Section 8.1 or 8.2, the Indemnifying Party shall have the right to employ counsel reasonably acceptable to the Indemnified Party to defend any such claim or demand asserted against the Indemnified Party for so long as the Indemnifying Party shall continue in good faith to diligently defend against such action or claim. The Indemnified Party shall have the right to participate in the defense of any such claim or demand at its own expense. The Indemnifying Party shall notify the Indemnified Party in writing, as promptly as possible (but in any case five business days before the due date for the answer or response to a claim) after the date of the notice of claim given by the Indemnified Party to the Indemnifying Party of its election to defend in good faith any Third Party Claim or demand. So long as the Indemnifying Party is defending in good faith any such Third Party Claim or demand against the Indemnified Party, the Indemnified Party shall not settle or compromise such claim or demand without the consent of the Indemnifying Party, which consent shall not be unreasonably withheld, and the Indemnified Party shall make available to the Indemnifying Party or its agents all records and other material in the Indemnified Party's possession reasonably required by it for its use in contesting any Third Party Claim or demand. Whether or not the Indemnifying Party elects to defend any such claim or demand, the

Indemnified Party shall have no obligations to do so. In the event (x) the Indemnifying Party elects not to defend such claim or action, or (y) if the Indemnifying Party elects to defend such claim or action but fails to diligently defend such claim or action in good faith, the Indemnified Party shall have the right to conduct the defense thereof and to settle or compromise such claim or action without the consent of the Indemnifying Party, except that with respect to the settlement or compromise of such a claim, demand or action, the Indemnified Party shall not settle or compromise any such claim or demand or action without the consent of the Indemnifying Party (such consent not to be unreasonably withheld), unless the Indemnifying Party is given a full and completed release of any and all liability by all relevant parties relating thereto and has no obligation to pay any damages, except for the obligation to indemnify provided hereunder.

Section 8.5 *Limitations on Liability.* Notwithstanding any other provision of this Agreement, except as a result of fraud, neither party shall have any liability to the other party under any circumstances for special, indirect, consequential, punitive or exemplary damages, or lost profits, diminution in value or any damages based on any type of multiple of any indemnified party

Section 8.6 *Services Unique.* The parties hereby agree that the services to be provided by the parties under this Agreement are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, the parties would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, to the extent permitted by the Communications Act and the FCC Rules then in effect, the parties may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the another party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and the parties hereby agree neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

Section 8.7 *Exclusivity.* After the Commencement Date, the indemnification provided by this Article 8, together with Section 14 of the SSA, shall be the sole and exclusive remedy of either of Sales Agent and Station Licensee against the other party hereto for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Agreement or the SSA; *provided*, that neither this Section 8.7 nor Section 14 of the SSA shall prohibit (a) injunctive relief (including specific performance) pursuant to Section 8.6 of this Agreement or Section 21 of the SSA or if available under Applicable Law or (b) any other remedy available at law or in equity for any fraud committed in connection with this Agreement or the SSA.

Article IX. MISCELLANEOUS

Section 9.1 *Amendment, Modification or Waiver.* No amendment, modification or waiver of any provision of this Agreement shall be effective unless made in writing and signed by the party adversely affected, and any such waiver and consent shall be effective only in the specific instance and for the purpose for which such consent was given.

Section 9.2 No Waiver. No failure or delay on the part of the Station Licensee or Sales Agent in exercising any right or power under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power.

Section 9.3 Governing Law; Waiver of Jury Trial. The construction and performance of this Agreement and the SSA (collectively, the "*Principal Agreements*") shall be governed by, and construed in accordance with, the law of the State of Delaware without regard to its principles of conflict of law. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. The parties hereto hereby acknowledge that they have each been represented by counsel in the negotiation, execution and delivery of the Principal Agreements and that their lawyers have fully explained the meaning of the Principal Agreements, including in particular the jury-trial waiver.

Section 9.4 Change in FCC Rules or Policies; Severability. In the event that the FCC determines that either this Agreement or the SSA does not comply with the Communications Laws, the parties shall negotiate in good faith and attempt to agree to an amendment to this Agreement, and/or the SSA, that will provide the parties with a valid and enforceable agreement that conforms to the Communications Laws and preserves in all material respects the parties' rights, benefits and obligations under this Agreement and the SSA. In the event that any of the provisions of this Agreement shall be held unenforceable, then so long as no party is deprived of the benefits of this Agreement and both Asset Purchase Agreements in any material respect, the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. Any provision of this Agreement that is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect that renders any provision hereof unenforceable in any respect.

Section 9.5 Construction. Any question of doubtful interpretation shall not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist or against the drafter of this Agreement.

Section 9.6 No Partnership or Joint Venture. This Agreement is not intended to be and shall not be construed as a partnership or joint venture agreement between the parties. No party to this Agreement shall be authorized to act as agent of or otherwise represent any other party to this Agreement.

Section 9.7 Entire Agreement. This Agreement, the SSA, the Non-FCC Asset Purchase Agreement, and the FCC Asset Purchase Agreement, and the exhibits and schedules hereto and thereto, embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein.

Section 9.8 Benefit and Assignment.

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

(a) Neither party may assign this Agreement or delegate its obligations under this Agreement without the prior written consent of the other party; provided, that, notwithstanding the foregoing, (i) Sales Agent may assign its rights and obligations under this Agreement to (A) any Affiliate of Sales Agent or (B) any successor in interest, transferee or assignee, as the operator or licensee of the Service Station (each a "***Sales Agent Assignee***") upon written notice to Station Licensee, and (ii) upon receiving prior written consent from Sales Agent, which consent may be withheld by Sales Agent for any reason or no reason at Sales Agent's sole and absolute discretion, Station Licensee shall assign this Agreement and all of its rights and obligations hereunder to any Person to which the FCC Licenses for the Station are transferred or assigned, *provided* that as a condition to such transfer or assignment (A) this Agreement, the SSA, the Non-FCC Asset Purchase Agreement, the FCC Asset Purchase Agreement and all of Station Licensee's rights and obligations hereunder and thereunder are assigned to such Person, which assignments are to be effective simultaneously, (B) such Person is legally and financially qualified to be the holder of the FCC Licenses and (C) such Person executes and delivers to the Sales Agent an instrument in form and substance reasonably acceptable to Sales Agent, accepting such assignments of this Agreement, the SSA, Non-FCC Asset Purchase Agreement, the FCC Asset Purchase Agreement and the rights and obligations of Station Licensee hereunder and thereunder and agreeing to pay, discharge and perform the obligations and liabilities of Station Licensee hereunder and thereunder in accordance with the terms hereof and thereof and such other documents and instruments as Sales Agent may reasonably request. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Any permitted assignee of a party hereto shall be a party to this Agreement for all purposes hereof.

(b) Notwithstanding anything to the contrary contained herein, Sales Agent shall have the right to designate agents or otherwise subcontract with any third party to perform all or any portion of its obligations under the Agreement; *provided, however*, that Sales Agent shall provide prior written notice to Station Licensee of any designation or subcontract pursuant to the foregoing and, *provided further*, that Station Licensee shall not be obligated to pay any amounts owing to Sales Agent under this Agreement to any such third party and shall continue to pay all such amounts directly to Sales Agent and, *provided further*, that Sales Agent shall not be relieved of any of its obligations hereunder as a result of entering into any such arrangements with third parties.

Section 9.9 Headings. The headings set forth in this Agreement are for convenience only and will not control or affect the meaning or construction of the provisions of this Agreement.

Section 9.10 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly delivered and received (a) on the date of personal delivery, (b) on the date of transmission, if sent by facsimile, or (c) one business day after having been dispatched via a nationally recognized

overnight courier service to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 9.10.

If to Station Licensee:

Intermountain West Communications Company
1500 Foremaster Lane
Las Vegas, Nevada 89101
ATTN: Jim Rogers

Intermountain West Communications Company
1500 Foremaster Lane
Las Vegas, Nevada 89101
ATTN: Ralph Toddre

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

Intermountain West Communications Company
1790 Vassar St.
Reno, Nevada 89502
ATTN: Douglas Roman Hill

If to Sales Agent:

Sinclair Television Group, Inc.
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Attention: President
Facsimile: (410) 568-1533

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

Sinclair Broadcast Group, Inc.
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Attention: General Counsel
Facsimile: (410) 568-1537

Section 9.11 ***No Third-Party Beneficiaries.*** Except as provided in Section 9.8, this Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 9.12 ***Counterparts.*** This Agreement may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which

taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 9.13 **Confidentiality.** Each party hereto agrees that it will not at any time during or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other party. To the extent required by the Communications Act and FCC Rules, each party shall place a copy of this Agreement in its public inspection file and shall consult with the other party and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

Section 9.14 **Force Majeure.** Any delay or interruption in the broadcast operation of the Station, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action, riots, natural disasters or any other cause not reasonably within the control of a party shall not constitute a breach of this Agreement, and no party shall be liable to any other party for any liability or obligation with respect thereto.

Section 9.15 **Further Assurances.** The parties hereto shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

Section 9.16 **Press Release.** No party hereto shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated by either of the Principal Agreements without the prior written consent of the other party hereto; *provided, however*, that nothing contained herein shall prevent any party from promptly making all filings with governmental authorities as may, in its judgment, be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

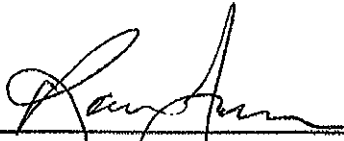
Section 9.17 **Gender and Number.** Words used herein, regardless of the gender and number specifically used, shall be deemed and construed to include any other gender, masculine, feminine, or neuter, and any other number, singular or plural, as the context requires.

Section 9.18 **Other Definitional Provisions.** The terms “hereof,” “herein” and “hereunder” and terms of similar import will refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references contained in this Agreement are references to Sections in this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the term “including” is used in this Agreement (whether or not that term is followed by the phrase “but not limited to” or “without limitation” or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

(Signatures on the following pages)

IN WITNESS WHEREOF, this Joint Sales Agreement has been executed by the parties hereto effective as of the date first written above.

Station Licensee:

By: 

Name: Ralph Toddre

Title: President, IWCC, Manager of Sierra

By: 

Name: Ralph Toddre

Title: President, IWCC, Manager of Sierra

Sales Agent:

Sinclair Television Group, Inc.

By: _____

Name: _____

Title: _____

[Signature]
David B. Amy
Secretary

SCHEDULE 3.1
To
Joint Sales Agreement

1. ***Net Sales Revenue.*** For purposes of this Agreement, the term “***Net Sales Revenue***” means (i) all gross revenue received by Sales Agent or Station Licensee for all Broadcast Material, less agency, buying service or other sales commissions paid to or withheld by an advertiser, agency or service, as the case may be, (ii) any network compensation or other similar payments made to Station Licensee or otherwise paid in respect of the Station or its programming, (iii) any retransmission fees or other similar payments made to Station Licensee or otherwise paid in respect of the Station or its programming or other payments made to Station Licensee pursuant to any retransmission consent agreements and (iv) any other amounts designated for inclusion in the calculation of Net Sales Revenue pursuant to the terms and subject to the conditions of this Agreement.

2. ***Station Expenses; Payments.***

2.1 In the event that due to the performance of the Station and the resulting revenues of the Station with respect to any given month during the Term, the total aggregate amount of Designated Expenses and Other Expenses exceeds the amount of the Licensee Revenue Share for such month, Sales Agent shall pay to Station Licensee the differential of such amounts on demand. Any expenses incurred by Station Licensee that do not constitute Designated Expenses or Other Expenses shall remain solely the obligation of Station Licensee.

2.2 For purposes of this Agreement:

(a) “***Designated Expenses***” shall mean the sum of the actual out-of-pocket payments and expenses of Station Licensee for the following: (i) utilities associated with the Station’s transmitting facilities together with all other expenses, including rental payments, payable by Station Licensee under any lease for real property on which the Station is located or used exclusively for the operation of the Station, (ii) salaries for two of the Station’s full-time employees (but, in any event, no fewer than the number required to comply with Applicable Law), one of which shall be the station manager, all at reasonable and customary rates for such employees, (iii) expenses related to maintenance and filings with respect to the FCC Licenses in respect of the Station and other expenses of compliance with FCC Rules and other Applicable Law in connection with the operation of the Station, including reasonable and customary attorneys’ fees of Station Licensee incurred in connection therewith, (iv) property taxes or other ad valorem taxes on any real property, personal property and leased property on which the Station is located or used for the operation of the Station, (v) premiums and other out-of-pockets costs and expenses relating to any insurance that Station Licensee maintains pursuant to the terms of this Agreement, (vi) all music rights payments required to be paid by Station Licensee (including music performance rights, synchronization rights, and master use rights), in connection with the broadcast and/or transmission of all announcements and programming on the Station, including the Advertising (but excluding the Delivered Programming, which shall be the sole responsibility of Sales Agent), (vii) all payments for the acquisition or licensing of programming during the Term, including television network payments, (viii) amounts payable under the SSA, (ix) payments or distributions pursuant to the Management Agreement, as in

effect on the date hereof, and (x) any costs or expense actually incurred by Station Licensee as a result of complying with its obligation to broadcast the Broadcast Material.

(b) “*Other Expenses*” shall mean expenses that are reasonably necessary or customary in the operation and maintenance of the Station, which have been consented to in advance in writing by Sales Agent, *provided* that Station Licensee shall have no obligation under this Agreement to incur any Other Expenses in the absence of such consent and agreement to reimburse under this subparagraph (b).

(c) “*Station Expenses*” shall mean, collectively, Designated Expenses, Other Expenses, expenses in accordance with the Operating Budget, and any other expenses, distributions or payment obligations that are not contemplated by the Operating Budget.

3. In order to promote the administration of the payment obligations between the parties under the Principal Agreements, the parties agree that (i) the amounts due and payable by one party under any of the Principal Agreements may be offset against any outstanding payment obligation by the other party under any of the Principal Agreements; and (ii) to the extent reasonably practicable, Sales Agent shall deliver to Station Licensee in connection with the payment of the Licensee Revenue Share a single statement reflecting the respective payment obligations of the parties under each of the Principal Agreements, which statement shall reflect any offsetting amounts.

SCHEDULE 4.3
To
Joint Sales Agreement
POLICY STATEMENT

NO PLUGOLA OR PAYOLA. The mention of any business activity or “plug” for any commercial, professional, or other related endeavor, except where contained in an actual commercial message of a sponsor, is prohibited.

ELECTION PROCEDURES. At least ninety (90) days before the start of any primary or regular election campaign, Sales Agent will clear with Station Licensee the rates Sales Agent will charge for the time to be sold to candidates for public office and/or their supporters, which rates shall be in conformity with Applicable Law and Station Licensee’s policy.

PROGRAMMING PROHIBITIONS. Sales Agent shall not knowingly broadcast any of the following programs or announcements:

- (a) *False Claims.* False or unwarranted claims for any product or service.
- (b) *Unfair Imitation.* Infringements of another advertiser’s rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.
- (c) *Commercial Disparagement.* Any unlawful disparagement of competitors or competitive goods.
- (d) *Obscenity/Indecency/Profanity.* Any programs or announcements that are obscene or indecent, as those terms are interpreted and applied by the FCC or any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, either in theme or treatment.
- (e) *Price Disclosure.* Any price mentions except as permitted by Station Licensee’s policies current at the time.
- (f) *Unauthorized Testimonials.* Any testimonials which cannot be authenticated.
- (g) *Descriptions of Bodily Functions.* Any programs or announcements that describe in a repellent manner internal bodily functions or symptomatic results or internal disturbances, and no reference to matters which are not considered acceptable topics in social groups.
- (h) *Conflict Advertising.* Any advertising matter or announcement which may, in the reasonable opinion of Station Licensee, be injurious or prejudicial to the interest of the public, the Station, or honest advertising and reputable business in general.
- (i) *Fraudulent or Misleading Advertisement.* Any advertisement matter, announcement, or claim which Sales Agent knows to be fraudulent, misleading, or untrue.

LOTTERIES. Announcements giving any information about lotteries or games prohibited by Applicable Law are prohibited.

RELIGIOUS PROGRAMMING RESTRICTIONS. The subject of religion and references to particular faiths, tenants, and customs shall be treated with respect at all times. Advertising shall not be used as medium for attack on any faith, denomination, or sect or upon any individual or organization.

CREDIT TERMS ADVERTISING. Any advertising of credit terms shall be made over the Station in accordance with Applicable Law.

NO ILLEGAL ANNOUNCEMENTS. No announcements or promotion prohibited by Applicable Law shall be made over the Station. At Station Licensee's request, any game, contest, or promotion relating to or to be presented over the Station must be fully stated and explained in advance to Station Licensee, which reserves the right in its sole discretion to reject any game, contest, or promotion.

LICENSEE DISCRETION PARAMOUNT. In accordance with the responsibilities of Station Licensee under the Communications Act and the FCC Rules, Station Licensee reserves the right to reject or terminate any Advertising proposed to be presented or being presented over the Station which is in conflict with the policy of Station Licensee or which in the reasonable judgment of Station Licensee would not serve the public interest.

PROGRAMMING IN WHICH SALES AGENT HAS A FINANCIAL INTEREST. Sales Agent shall advise Station Licensee with respect to any Advertising concerning goods or services in which Sales Agent has a material financial interest. Any announcements for such goods and services for which Sales Agent charges less than its regular rate shall clearly identify Sales Agent's financial interest.

MISCELLANEOUS.

(a) *Waiver.* To the extent legally permissible, the parties may jointly waive any of the foregoing policies in specific instances if, in their opinion, good broadcasting in the public interest is served.

(b) *Prior Consent.* In any case where questions of policy or interpretation arise, Sales Agent will attempt in good faith to submit the same to Station Licensee for decision before making any commitments in connection therewith.

OPTION AGREEMENT

THIS OPTION AGREEMENT (this “Agreement”) is made as of the ____ day of _____, 2013, by Chesapeake Media I, LLC, a Nevada limited liability company, its successors or assigns (the “Optionee”), and Reno (KRNVT-TV), Inc., a Maryland corporation (“OpCo”), and Reno (KRNVT-TV) Licensee, Inc., a Maryland corporation (collectively, the “Optionor”).

Explanatory Statement

Optionor is, as of the date hereof, the owner or the parent of the owner of certain of the assets, including the FCC Licenses (as defined below) (collectively, the “Assets”) of television broadcast station KRNVT-DT, Reno, Nevada, and KENV-DT, Elko, Nevada (collectively, the “Station”). Optionee and Optionor desire to enter into this Agreement to provide Optionee an option to acquire the Assets or the issued and outstanding equity of Optionor.

Optionee and Optionor desire to enter into this Agreement to provide Optionee an option to acquire the Assets or the issued and outstanding equity of Optionor.

NOW, THEREFORE, IN CONSIDERATION OF the premises and mutual covenants, promises and agreements set forth herein, the parties represent, warrant, covenant and agree as follows:

1. **Grant of Option.** Optionor hereby grants to the Optionee, subject to the terms and conditions hereinafter set forth, the option (the “Option”) to purchase the Assets or to elect to acquire all of the issued and outstanding equity of Optionor as provided in the APA (as defined below). The Assets shall include all the assets owned or held by Optionor or its affiliates relating to the Station, including the FCC Licenses which shall be defined as all licenses, permits, construction permits and other authorizations held by Optionor issued by or pending before the United States Federal Communications Commission necessary for the operation of the Station.

2. **Term and Exercise.**

(a) The Optionee may exercise this Option at any time prior to the expiration of this Option, which, subject to 2(b) below, expiration shall occur eight (8) calendar years from the date of this Agreement (the “Exercise Period”); provided, however, that the closing on the purchase of the Assets may take place after the expiration of the Exercise Period so long as Optionee has delivered the Exercise Notice (as defined in Section 2(c) below) prior to the expiration of the Exercise Period.

(b) Provided Optionee is not in material default under this Agreement or any other written agreement between Optionor and Optionee, Optionee shall have the right to extend the Exercise Period for five (5) additional eight (8) year terms (each a “Extension Term”); provided, however if Optionee does not provide written notice to Optionor of its intention to terminate (a “Notice of Termination”) this Agreement no later than six (6) months prior to the

end of the applicable Exercise Period, this Agreement shall automatically renew for the applicable Extension Term.

(c) The Optionee shall exercise the Option by giving written notice (the "Exercise Notice") of the Optionee's exercise of this Option.

(d) No later than five (5) calendar days, unless extended by Optionee, after receipt by Optionor of the Exercise Notice, Optionor and Optionee shall execute and enter into the Asset Purchase Agreement substantially in the form attached hereto as Exhibit A (the "APA").

3. **Consideration for Option.** The Optionee shall pay to the Optionor for the grant of the Option Ten Thousand Dollars (\$10,000) in the aggregate (the "Grant Price"), which shall be paid by certified check or wire transfer of immediately available funds on the date of this Agreement.

4. **Exercise Price.** On the Closing Date (as defined in the APA), Optionee shall pay to Optionor as full and final payment under the APA the amount of set forth in the APA, subject to any adjustments as provided by the APA.

5. **Representations and Warranties of the Optionor and Optionee.**

(a) Optionor represents and warrants to Optionee as follows:

(i) **Organization and Authority of Seller.** Optionor is a corporation or limited liability company duly organized, validly existing, and in good standing under the laws of the State of Delaware. Optionor has the requisite corporate power and authority to execute, deliver and perform this Agreement and the documents contemplated hereby according to their respective terms.

(ii) **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement by Optionor has been duly authorized by all necessary corporate or other required action on the part of Optionor. This Agreement has been duly executed and delivered by Optionor and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

(b) Optionee represents and warrants to Optionor as follows:

(i) **Organization and Authority of Seller.** Optionee is a corporation duly organized, validly existing, and in good standing under the laws of the State of Maryland. Optionee has the requisite power and authority to execute, deliver and perform this Agreement and the documents contemplated hereby according to their respective terms.

(ii) **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement by Optionee has been duly authorized by all necessary required action on the part of Optionee. This Agreement has been duly executed and delivered by Optionee and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

6. **Deliveries by Optionor on the Closing Date.** On the Closing Date, Optionor shall deliver to Optionee the following:

(a) a certificate of Optionor executed by a duly authorized person dated as of the Closing Date to the effect that, except as specified in such certificate, the representations of Optionor set forth in Section 5(a) of this Agreement are true, accurate, and complete in all respects;

(b) a certificate as to the existence and/or good standing of Optionor issued by the Secretary of State the State of Delaware or such other jurisdiction, as applicable, dated no earlier than three (3) calendar days prior to the Closing Date;

(c) a receipt for payment of the Exercise Price; and

(d) such other documents as Optionee may reasonable request.

7. **Deliveries by Optionee on the Closing Date.** On the Closing Date, Optionee shall deliver to Optionor the following:

(a) a certificate of Optionee executed by a duly authorized person dated as of the Closing Date to the effect that, except as specified in such certificate, the representations and warranties of Optionee set forth in Section 5(b) of this Agreement are true, accurate and complete in all respects;

(b) the Exercise Price payable in cash by wire transfer of immediately available funds;

(c) a certificate issued by the Secretary of State of the State of Maryland certifying as to the good standing and/or qualification of Optionee in such jurisdiction; and

(d) such other documents as Optionor may reasonably request.

8. **Notice of Certain Additional Events.** In the event of any consolidation of the Optionor with, or merger of the Optionor into, any other entity (other than a merger in which the Optionor is the surviving company); any transfer of all or substantially all of the assets of the Optionor; or the dissolution, liquidation, or winding up of the Optionor, the Optionor shall give Optionee at least twenty (20) calendar days' prior written notice of the date which shall be the

record date for determining Optionor's stockholders entitled to vote upon such consolidation, merger, share exchange, transfer, dissolution, liquidation, or winding up.

9. **Assignment.** Upon prior written notice to Optionor, the Optionee may freely assign his or its rights under this Agreement. Optionor may only assign this Agreement with the express consent of Optionee in its sole discretion.

10. **Notices.** Any notice, payment, demand, or communication required or permitted to be given by any provision of this Agreement shall be in writing and shall either be (a) delivered personally to the party to whom it is directed, in which case a signed receipt therefore shall be received; (b) sent by certified mail, return-receipt requested, postage prepaid; (c) sent by telecopy; or (d) sent to overnight courier addressed to the parties at the addresses set forth below their several signatures, or to such other address or addresses as may be designated from time to time in accordance with this Section 10. Any such notice shall be deemed to be delivered, given, and received for all purposes of this Agreement as of (i) the date noted on the signed receipt if delivered personally; (ii) the date deposited in a regularly maintained receptacle for the deposit of the United States mail, if sent by certified mail; (iii) the date telecopied with confirmed receipt if sent via facsimile; or (iv) the next day after sent by overnight courier:

If to Optionor:

Steven A. Thomas, Esquire
Thomas & Libowitz, P.A.
100 Light Street, Suite 1100
Baltimore, Maryland 21202
Telephone: (410) 752-2468
Fax: (410) 752-2046

If to Optionee:

Sinclair Television Group, Inc.
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Attention: David D. Smith
Phone: (410) 568-1524
Fax: (410) 568-1537

With a copy (which shall not constitute notice) to:

General Counsel
10706 Beaver Dam Road
Cockeysville, Maryland 21030
Phone: (410) 568-1524
Fax: (410) 568-1537

11. **Additional Actions and Documents.** Each of the parties hereto agrees to take or cause to be taken such further actions, to execute, acknowledge, seal, and deliver or cause to be executed, acknowledged, sealed, and delivered the APA and such further instruments and documents and to use their reasonable efforts to obtain such requisite consents as any other party may from time to time reasonably request in order to fully effectuate the purposes and fulfill the intent of this Agreement.

12. **Binding Effect.** Each of the covenants and agreements in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of their respective heirs, guardians, personal and legal representatives, successors, and permitted assigns.

13. **Maryland Law.** This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Maryland.

14. **Specific Performance.** In the event of a breach of this Agreement, any non-breaching party hereto may maintain an action for specific performance against the party or parties hereto who are alleged to have breached any of the terms, conditions, representations, warranties, provisions, covenants, or agreements herein contained, and it is hereby further agreed that no objection to the form of action in any proceeding for specific performance of this Agreement shall be raised by any party hereto so that such specific performance of this Agreement may not be obtained by the aggrieved party. Anything contained herein to the contrary notwithstanding, this Section 14 shall not be construed to limit in any manner whatsoever any other rights and remedies that an aggrieved party may have by virtue of any breach of this Agreement.

15. **Attorneys' Fees.** If a party to this Agreement breaches or threatens to breach this Agreement, such party shall pay all of the other parties' costs, expenses, and fees (including, without limitation, attorneys' fees) incurred as a result of or in connection with such breach or threatened breach.

16. **Headings.** The descriptive headings used in this Agreement are inserted for convenience only, and do not constitute a substantive part of this Agreement, and are not intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement as a whole or any provision hereof.

17. **Word Usage.** Unless the context otherwise requires, whenever used in this Agreement, the singular shall include the plural, the plural shall include the singular, and the masculine gender shall include the neuter and feminine gender, and vice versa. Whenever used in this Agreement, words such as "herein," "hereinafter," "hereof," "hereto," and "hereunder" refer to this Agreement as a whole, unless the context otherwise requires.

18. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be an original, but all of which shall together constitute one document.

19. **Construction.** Each and every term and provision of this Agreement has been mutually agreed to and negotiated by the parties hereto, and shall be construed simply according to its fair meaning and not strictly for or against any party.

20. **Severability.** Each and every term and provision of this Agreement is intended to be severable. If any term or provision hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of this Agreement.

21. **Time.** Time is of the essence with respect to all aspects of this Agreement.

(Signatures on the following pages)

IN WITNESS WHEREOF, the parties hereunto have executed, sealed, and delivered this Agreement or caused this Agreement to be executed, sealed, and delivered on the day and year first hereinabove set forth.

Optionor:

RENO (KRNV-TV), INC.

By: _____
Name: _____
Title: _____

RENO (KRNV-TV) LICENSEE, INC.

By: _____
Name: _____
Title: _____

Optionee:

CHESAPEAKE MEDIA I, LLC

By: Sinclair Television Group, Inc., its sole member

By: _____
David B. Amy, Secretary

Exhibit A
Purchase Agreement

ASSET PURCHASE AGREEMENT

BETWEEN

[_____]
as **SELLER**

AND

SINCLAIR ENTITY

as **BUYER**

[dated _____, 20__]

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “**Agreement**”) is entered into on _____, 20__ by and between [_____] a [_____] (“**Seller**”) and [Sinclair Entity], a [_____] (“**Buyer**”).

RECITALS

WHEREAS, Seller owns and operates television broadcast station KRNV-DT and KENV-DT (collectively, the “**Station**”), pursuant to the FCC Licenses (as defined in Section 1.1 below) and owns or leases certain assets used in connection with the operation of the Station;

WHEREAS, Seller wishes to sell and Buyer wishes to purchase the assets as defined in Section 2.1 of this Agreement, or in the alternative the issued and outstanding equity of Seller; and

WHEREAS, Seller and Buyer have agreed to enter into this Agreement as set forth herein.

AGREEMENTS

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

SECTION 1: CERTAIN DEFINITIONS

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

“**Action**” means any claim, action, suit, inquiry, proceeding, audit or investigation by or before any governmental authority, or any other arbitration, mediation or similar proceeding.

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

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

“Assumed Contracts” means (a) all Contracts set forth on Schedule 5.7, (b) Contracts entered into by Seller between the date of this Agreement and the Closing Date that Buyer agrees in writing to assume, and (c) other Contracts entered into by Seller between the date of this Agreement and the Closing Date in compliance with Section 7 of this Agreement or the TBA.

“Business Day” means any day other than a Saturday, a Sunday, or other day on which banks in New York, New York generally are not open for business.

“Buyer’s Credit Agreement” means the credit agreement or agreements, by and among Sinclair Television Group, Inc. and/or its Affiliate and lenders and or borrowers, as amended, renewed, extended, substituted, refinanced, restructured, replaced, supplemented or otherwise modified from time to time.

“Buyer’s Lenders” means those financial institutions providing financing to Buyer and its parent and/or its subsidiaries pursuant to Buyer’s Credit Agreement.

“Closing” means the consummation of (a) the exchange and acquisition of the Assets, or (b) the purchase of the Shares, pursuant to this Agreement on the Closing Date in accordance with the provisions of Section 10.1 of this Agreement.

“Closing Date” means the date on which the Closing occurs, as determined pursuant to Section 10.1 of this Agreement.

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

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

“Consents” means the consents, permits, or approvals of government authorities and other third parties necessary to transfer the Assets or the Shares, as applicable, to Buyer or otherwise to consummate the transactions contemplated by this Agreement.

“Contaminant” shall mean and include any pollutant, contaminant, hazardous material (as defined in any of the Environmental Laws), toxic substances (as defined in any of the Environmental Laws), asbestos or asbestos containing material, urea formaldehyde, polychlorinated biphenyls, regulated substances and wastes, radioactive materials, and petroleum or petroleum by-products, including crude oil or any fraction thereof, except the term “Contaminant” shall not include small quantities of maintenance, cleaning and emergency generator fuel supplies customary for the operation of television stations and maintained in compliance with all Environmental Laws in the ordinary course of business.

“Contracts” means all contracts, consulting agreements, leases, non-governmental licenses and other agreements (including leases for personal or real property and employment agreements), written or oral (including any amendments and other modifications thereto) to

which any Seller is a party or that are binding upon any Seller, that relate to or affect the Assets or the Station's Business, and that either (a) are in effect on the date of this Agreement, or (b) are entered into by Seller between the date of this Agreement and the Closing Date.

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

"Environmental Laws" shall mean and include, but not be limited to, any applicable federal, state or local law, statute, charter, ordinance, rule or regulation or any governmental agency interpretation, policy or guidance, including, without limitation, applicable safety/environmental/health laws, such as, but not limited to, the Resource Conservation and Recovery Act of 1976, Comprehensive Environmental Response Compensation and Liability Act, Federal Emergency Planning and Community Right-to-Know Law, the Clean Air Act, the Clean Water Act, and the Toxic Substance Control Act, as any of the foregoing have been amended, and any permit, order, directive, court ruling or order or consent decree applicable to or affecting the Property or any other property (real or personal) used by or relating to the Station in question promulgated or issued pursuant to any Environmental Laws which pertains to, governs, or controls the generation, storage, remediation or removal of Contaminants or otherwise regulates the protection of health and the environment, including, but not limited to, any of the following activities, whether on site or off site if such could materially affect the site: (a) the emission, discharge, release, spilling or dumping of any Contaminant into the air, surface water, ground water, soil or substrata; or (b) the use, generation, processing, sale, recycling, treatment, handling, storage, disposal, transportation, labeling or any other management of any Contaminant.

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

"FCC" means the Federal Communications Commission.

"FCC Consent" means action by the FCC granting its consent to the assignment or transfer of the FCC Licenses by Seller to Buyer as contemplated by this Agreement.

"FCC Licenses" means those licenses, permits and authorizations issued by the FCC to Seller in connection with the Station's Business.

"Final Order" shall mean the consent by the FCC to the application for FCC Consent filed by the parties hereto for FCC Consent, approval or authorization, which action has not been reversed, stayed, enjoined, set aside, annulled or suspended, and with respect to which action, no protest, petition to deny, petition for rehearing or reconsideration, appeal or request for stay is pending, and as to which action the time for filing of any such protest, petition, appeal or request and any period during which the FCC may reconsider or review such action on its own authority has expired.

"Intangibles" means all call letters, call signs, copyrights, trademarks, trade names, service marks, service names, licenses, patents, permits, jingles, proprietary information, technical information and data, machinery and equipment warranties, and other similar intangible property rights and interests (and any goodwill associated with any of the foregoing)

applied for, issued to, or owned by Seller or under which Seller is licensed or franchised and that are used in the Station's Business, together with any additions thereto between the date of this Agreement and the Closing Date.

"Leased Real Property" means all real property and all buildings and other improvements thereon and appurtenant thereto leased or held by Seller and used in the Station's Business.

"Licenses" means all licenses, permits, construction permits and other authorizations issued by the FCC, the Federal Aviation Administration, or any other federal, state, or local governmental authorities to Seller currently in effect and used in connection with the conduct of the Station's Business, together with any additions thereto between the date of this Agreement and the Closing Date.

"Loss" means, with respect to any Person, any and all costs, obligations, liabilities, demands, claims, settlement payments, awards, judgments, fines, penalties, damages, and reasonable out-of-pocket expenses, including court costs and reasonable attorneys' fees, whether or not arising out of a third-party claim.

"Material Adverse Effect" means any event, change, circumstance, occurrence, effect or state of facts that (a) is or would reasonably be expected to be materially adverse to the business, assets, liabilities, condition (financial or otherwise), results of operations of the Station or the Assets or (b) materially impairs the ability of Seller to consummate or prevents any of the transactions contemplated by this Agreement or would reasonably be expected to do so.

"Operational Agreements" means those certain agreement by and between [_____].

"Permitted Encumbrances" means (a) encumbrances of a landlord, other statutory liens not yet due and payable, or landlord's liens arising in the ordinary course of business, (b) encumbrances arising in connection with equipment or maintenance financing or leasing under the terms of the Contracts set forth on Schedule 5.7, which Contracts have been made available to Buyer, (c) encumbrances for Taxes not yet delinquent or which are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on Seller's books in accordance with generally accepted accounting principles, or (d) encumbrances that do not materially detract from the value of any of the Assets or materially interfere with the use thereof as currently used.

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

"Real Property" means all real property and all buildings and other improvements thereon and appurtenant thereto leased or held by Seller and used in the Station's business.

"Real Property Interests" means all interests in Leased Real Property, including fee estates, leaseholds and subleaseholds, purchase options, easements, licenses, rights to access, and rights of way, and all buildings and other improvements thereon and appurtenant thereto, owned

or held by Seller that are used in the Station's Business, together with any additions, substitutions and replacements thereof and thereto between the date of this Agreement and the Closing Date.

"Seller's Knowledge" means the actual knowledge, after due inquiry, of officers of Seller.

"Shares" means all of the stock, (or all of membership interest or partnership interest, if applicable) of any class of Seller issued and outstanding on the Closing Date including any options, warrants or other rights to acquire shares of Seller prior to or after the Closing Date.

"Station's Business" means the business as currently, and as over the past year, conducted by Seller, Seller's Affiliates, and/or Seller's employees and contractors, including contractors pursuant to the Operational Agreements or similar agreement, with respect to the Station, taken as a whole, including the Assets and operations thereof.

"Tangible Personal Property" means all machinery, equipment, tools, vehicles, furniture, leasehold improvements, office equipment, plant, inventory, spare parts and other tangible personal property owned or held by Seller that is used or useful in the conduct of the Station's Business, together with any additions, substitutions and replacements thereof and thereto between the date of this Agreement and the Closing Date.

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

"Tax Return" means any tax return, declaration of estimated tax, tax report or other tax statement, or any other similar filing required to be submitted to any governmental authority with respect to any Tax.

"Termination Date" means 12:00 midnight Eastern Time on the first anniversary of the date of this Agreement.

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

<u>Term</u>	<u>Section</u>
Act	Section 8.14
Adjusted Purchase Price	Section 2.3(c)
Agreement	Preamble
Benefit Arrangement	Section 5.14 (a)(v)

Benefit Plans	Section 5.14(a)(ii)
Buyer	Preamble
Claimant	Section 12.4(a)
Closing Notice	Section 10.1(a)(i)
Employees	Section 5.14(a)
Estimated Adjusted Purchase Price	Section 2.3(c)(i)
Fair Market Value of the Assets	Section 8.6
Final Adjusted Purchase Price	Section 2.5(a)
Financial Statements	Section 5.10
Indemnifying Party	Section 12.4(a)
Multiemployer Plan	Section 5.14(a)(ii)
Notice of Renewal	Section 11.8
Notice of Termination	Section 11.8
Option Exercise Notice	Section 3.2(a)
Pension Plan	Section 5.14(a)(iii)
Purchase Price	Section 2.3(a)
Renewal Term	Section 11.8
Seller	Preamble
State Acts	Section 8.14
Station	Recitals
Stock Option	Section 3.1
Transferred Employees	Section 8.8(a)
Welfare Plan	Section 5.14(a)(i)

Rules of Construction.

A reference in the singular shall be deemed to include the plural and the plural shall be deemed to include the singular. A reference to one gender shall include any other gender. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” All references to “party” and “parties” shall be deemed references to parties to this Agreement unless the context shall otherwise require. The parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement. Except as specifically otherwise provided in this Agreement, a reference to a Section, the Schedules or any Exhibit is a

reference to a Section of this Agreement or the Schedules or Exhibits hereto, and the terms “hereof,” “herein,” and other like terms refer to this Agreement as a whole, including the Schedules and Exhibits to this Agreement. The terms “or” is used in its inclusive sense (“and/or”). All references to “Dollars” and “\$” refer to the currency of the United States.

Sections.

The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

SECTION 2: EXCHANGE AND TRANSFER OF ASSETS; ASSET VALUE

2.1. **Agreement to Exchange and Transfer.** Subject to the terms and conditions set forth in this Agreement, Seller hereby agrees to transfer, convey, assign and deliver to Buyer on the Closing Date, and Buyer agrees to acquire, all of Seller’s right, title and interest in the tangible and intangible assets held to be used or used in connection with the conduct of the Station’s Business, together with any additions thereto between the date of this Agreement and the Closing Date (collectively, the “Assets”), but excluding the assets described in Section 2.2 of this Agreement, free and clear of any claims, liabilities, security interests, mortgages, liens, pledges, charges, or encumbrances of any nature whatsoever (except for Permitted Encumbrances), including the following:

- (a) the Tangible Personal Property;
- (b) the Real Property Interests;
- (c) the Licenses;
- (d) the Assumed Contracts;
- (e) the Intangibles, including the goodwill of the Station, if any;
- (f) all of Seller’s proprietary information, technical information and data, machinery and equipment warranties, maps, computer discs and tapes, plans, diagrams, blueprints and schematics, including filings with the FCC, in each case, to the extent relating to the Station’s Business;
- (g) all choses in action of Seller relating to the Station to the extent they relate to the period after the Effective Time; and
- (h) all books, logs and records relating to the Station’s Business, including executed copies of the Assumed Contracts, and all logs and records required by the FCC to be kept by the Station.

2.2. Excluded Assets. The Assets shall exclude the following:

(a) Seller's cash, cash equivalents and deposits, all interest payable in connection with any such items and rights in and to bank accounts, marketable and other securities and similar investments (but not the securities of any subsidiary of any Seller) of Seller;

(b) any insurance policies, promissory notes not included in the Assumed Contracts, amounts due to Seller from employees, bonds, letters of credit, certificates of deposit, or other similar items, and any cash surrender value in regard thereto; provided, that in the event Seller is obligated to assign to Buyer the proceeds of any such insurance policy at the time a Closing occurs under Section 10.1 of this Agreement, such proceeds shall be included in the Assets;

(c) any pension, profit-sharing, or employee benefit plans, including all of Seller's interest in any Welfare Plan, Pension Plan or Benefit Arrangement (each as defined in Section 5.14(a) of this Agreement;

(d) all Tangible Personal Property disposed of or consumed in the ordinary course of business as permitted by this Agreement;

(e) all Tax Returns and supporting materials, all original financial statements and supporting materials, all books and records that Seller is required by law to retain, all of Seller's organizational documents, corporate books and records (including minute books and stock ledgers) and originals of account books of original entry, all records of Seller relating to the sale of the Assets and all records and documents related to any assets excluded pursuant to this Section 2.2;

(f) any interest in and to any refunds of federal, state, or local franchise, income, or other taxes for periods (or portions thereof) ending on or prior to the Closing Date;

(g) all rights and claims of Seller, whether mature, contingent or otherwise, against third parties relating to the Assets of the Station, whether in tort, contract or otherwise, other than rights and claims against third parties relating to the Assets which have as their basis loss, damage or impairment of or to any of the Assets and which loss, damage or impairment has not been restored or repaired prior to the Closing in which any of the Assets which has been so damaged or impaired is being acquired by Buyer (or in the case of a lost asset, that would have been acquired but for such loss);

(h) any Contracts which are not Assumed Contracts;

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

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

2.3. Purchase Price.

(a) The aggregate purchase price for the Assets shall be equal to the sum of \$6,500,000 (the “**Purchase Price**”). The Purchase Price shall be adjusted as provided for in Section 2.3(c) of this Agreement.

(b) **Prorations.** The Purchase Price shall be increased or decreased as required to effectuate the proration of revenues and expenses as set forth below. All revenues and all expenses arising from the operation of the Station, including tower rental, business and license fees, utility charges, real property and personal property, and other similar Taxes and assessments levied against or with respect to the Assets, property and equipment rentals, applicable copyright or other fees, sales and service charges and, subject to the provisions of Section 8.8 of this Agreement, employee compensation, including wages (including bonuses which constitute wages), salaries, and related Taxes shall be prorated between Buyer and Seller in accordance with the principle that, subject to the terms of the Operational Agreements, Seller shall receive all revenues and shall be responsible for all expenses, costs, and liabilities allocable to the operations of the Station for the period prior to the Effective Time, and Buyer shall receive all revenues and shall be responsible for all expenses, costs, and obligations allocable to the operations of the Station for the period after the Effective Time subject to the following:

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

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

(c) **Manner of Determining Adjustments.** The Purchase Price, taking into account the prorations pursuant to Section 2.3(b) of this Agreement (the “**Adjusted Purchase Price**”), will be determined in accordance with the following procedures:

(i) Seller shall prepare and deliver to Buyer not later than five (5) Business Days before the Closing Date a preliminary settlement statement which shall set forth Seller’s good faith estimate of the adjustments to the Purchase Price under Section 2.3(b) of this Agreement and setting forth Seller’s estimate of the Adjusted Purchase Price (the “**Estimated Adjusted Purchase Price**”). The preliminary settlement statement shall (A) contain all

information reasonably necessary to determine the Estimated Adjusted Purchase Price, to the extent any adjustments can be determined or estimated as of the date of the preliminary settlement statement, and such other information as may be reasonably requested by Buyer, and (B) be certified by Seller to be true and complete to Seller's Knowledge as of the date thereof.

(ii) Not later than two (2) Business Days prior to the Closing Date, Buyer shall either accept or reject the Estimated Adjusted Purchase Price. If Buyer accepts the Estimated Adjusted Purchase Price, the Estimated Adjusted Purchase Price shall be paid by Buyer to Seller at the Closing in accordance with Section 2.4 of this Agreement. If Buyer rejects the Estimated Adjusted Purchase Price, Buyer will submit simultaneously to Seller their good faith estimate of the Estimated Adjusted Purchase Price, including a statement that will contain all information reasonably necessary to determine the Estimated Adjusted Purchase Price and such other information as may be reasonably requested by Seller. The parties shall then use their best efforts to agree upon the Estimated Adjusted Purchase Price prior to the Closing Date. If the parties cannot agree on the Estimated Adjusted Purchase Price prior to the Closing, the Estimated Adjusted Purchase Price shall be the average of Buyer's and Seller's estimates of the Estimated Adjusted Purchase Price.

2.4. Payment of Purchase Price. At the Closing, Buyer shall deliver to Seller, by wire transfer of immediately available funds to such bank accounts as Seller may designate at least two (2) Business Days prior to the Closing Date, a payment equal to the Estimated Adjusted Purchase Price.

2.5. Post-Closing Adjustments.

(a) Not later than forty five (45) calendar days after the Closing Date, Buyer will deliver to Seller a statement setting forth Buyer's determination of any additional adjustments to the Purchase Price under Section 2.3(b) of this Agreement and setting forth Buyer's calculation of the final adjusted purchase price (the "**Final Adjusted Purchase Price**"). Buyer's statement shall (i) contain all information reasonably necessary to determine the Final Adjusted Purchase Price and such other information as may be reasonably requested by Seller, and (ii) be certified by Buyer to be true and complete to Buyer's knowledge as of the date thereof. If Seller disputes the amount of the Final Adjusted Purchase Price as determined by Buyer, Seller shall deliver to Buyer within thirty (30) calendar days after receipt of Buyer's statement a statement setting forth their determination of the amount of the Final Adjusted Purchase Price which shall include all information reasonably necessary to determine the Final Adjusted Purchase Price and such other information as may be reasonably requested by Buyer. If Seller notifies Buyer of their acceptance of Buyer's statement, or if Seller fails to deliver their statement within the thirty (30) calendar day period specified in the preceding sentence, Buyer's determination of the Final Adjusted Purchase Price shall be conclusive and binding on the parties as of the last day of the thirty (30) calendar day period.

(b) Buyer and Seller shall use good faith efforts to resolve any dispute involving the determination of the Final Adjusted Purchase Price. If the parties are unable to resolve the dispute within forty five (45) calendar days following the delivery of Buyer's statements to be provided pursuant to Section 2.5(a) of this Agreement after the Closing, Buyer and Seller shall

jointly designate an independent certified public accounting firm of national standing which has not regularly provided services to either Buyer or Seller in the last three (3) years, who shall be knowledgeable and experienced in the operation of television broadcasting stations, to resolve the dispute. If the parties are unable to agree on the designation of an independent certified public accounting firm, the selection of the accounting firm to resolve the dispute shall be submitted to arbitration to be held in Baltimore, Maryland, in accordance with the commercial arbitration rules of the American Arbitration Association. The accounting firm's resolution of the dispute or the arbitrators decision, as applicable, shall be final and binding on the parties, and a judgment may be entered thereon in any court of competent jurisdiction. Any fees of this accounting firm, and, if necessary, for arbitration to select such accountant, shall be divided equally between the parties.

(c) If the Final Adjusted Purchase Price is (i) greater than the Estimated Adjusted Purchase Price, then Buyer shall pay to Seller within five (5) days of the determination of such Final Adjusted Purchase Price the difference between the Final Adjusted Purchase Price and the Estimated Adjusted Purchase Price by wire transfer of immediately available funds to such bank accounts as Seller may designate, or (ii) less than the Estimated Adjusted Purchase Price, then Seller shall pay to Buyer within five (5) days of the determination of such Final Adjusted Purchase Price the difference between the Final Adjusted Purchase Price and the Estimated Adjusted Purchase Price by wire transfer of immediately available funds to such bank accounts as Buyer may designate.

2.6. **Assumption of Liabilities and Obligations.** As of the Closing Date, Buyer shall assume and undertake to pay, discharge, and perform all obligations and liabilities of Seller under the Licenses, the Assumed Contracts, or as otherwise specifically provided for herein to the extent that either (a) the obligations and liabilities relate to the time after the Effective Time, or (b) the Purchase Price was reduced pursuant to Section 2.3(c) of this Agreement as a result of the proration of such obligations and liabilities under Section 2.3(b). Buyer shall not assume any other obligations or liabilities of Seller, including (w) any obligations or liabilities under any Contract not included in the Assumed Contracts, (x) any obligations or liabilities under the Assumed Contracts relating to the period prior to the Effective Time, except insofar as an adjustment therefor is made in favor of Buyer under Section 2.3(c) of this Agreement, (y) any claims or pending litigation or proceedings relating to the operation of the Station prior to the Closing or (z) any obligations or liabilities of Seller under any employee pension, retirement, or other benefit plans.

SECTION 3: STOCK OPTION

3.1. **Grant of Stock Option.**

(a) Subject to the terms and conditions of this Section 3, Buyer shall have the option (the "**Stock Option**"), in lieu of purchasing the Assets as contemplated hereby, to purchase all, but not less than all, of the Shares such that on the Closing Date, Buyer will own all of the outstanding equity of Seller.

(b) Buyer may exercise the Stock Option in accordance with Section 3.2 of this Agreement at any time after the date of this Agreement.

3.2. Exercise of Stock Option.

(a) Buyer shall exercise the Stock Option by giving written notice to Seller and individually to stockholder(s) or his/their successors, assigns or heirs (collectively, “**Stockholder**”) (the “**Option Exercise Notice**”). The Option Exercise Notice shall specify a Closing Date pursuant to the terms of Section 10.1 of this Agreement. For the avoidance of doubt, a Closing pursuant to the Stock Option may occur after the Termination Date, so long as the Option Exercise Notice has been delivered prior to such time.

(b) Upon exercise of the Stock Option, Buyer may acquire the Shares either directly, or indirectly, including through one of its Affiliates, or may assign its rights to a third party without prior consent of Seller. Buyer and Seller shall either revise this Agreement to reflect the transfer of the Shares or enter into other documents to provide for the transfer of the Shares pursuant to terms and conditions materially similar to the terms and conditions of this Agreement.

(c) On the Closing Date of the Stock Option, Buyer shall pay the closing payment to Stockholder as required by Section 10.3(a) of this Agreement, which payment shall be calculated and adjusted in the same manner as provided for in Section 2 of this Agreement.

SECTION 4: [RESERVED]

SECTION 5: REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer as of the date hereof and as of the Closing Date (except for representations and warranties that speak as of a specific date or time, in which case, such representations and warranties shall be true and complete as of such date or time) as follows:

5.1. **Organization and Authority of Seller.** Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware. Seller has the requisite corporate power and authority to own, lease and operate its properties, to carry on its business where such properties are now owned, leased, or operated and such business is now conducted, and to execute, deliver and perform this Agreement and the documents contemplated hereby according to its respective terms.

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

5.3. **Absence of Conflicting Agreements; Consents.** Subject to obtaining the FCC Consent, the execution, delivery and performance by Seller of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) do not require the consent of any third party; (b) will not conflict with any provision of the Articles of Incorporation, Bylaws, Articles of Organization (as applicable), or other organizational documents of Seller; (c) will not conflict with, result in a material breach of, or constitute a material default under any applicable law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; (d) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any material agreement, instrument, license, or permit to which Seller is a party or by which Seller may be bound legally; and (e) will not create any claim, liability, mortgage, lien, pledge, condition, charge, or encumbrance of any nature whatsoever upon any of the Assets or the Shares. Except for the FCC Consent provided for in Section 8.1 of this Agreement, no consent, approval, permit, or authorization of, or declaration to, or filing with any governmental or regulatory authority or any other third party is required (y) to consummate this Agreement and the transactions contemplated hereby, or (z) to permit Seller to transfer and convey the Assets or the Shares to Buyer.

5.4. **Governmental Licenses.** Schedule 5.4 includes a true and complete list of the FCC Licenses. Seller has made available to Buyer true and complete copies of all material Licenses (including any amendments and other modifications thereto). The Licenses have been validly issued, and Seller is the authorized legal holder of the Licenses and those FCC Licenses listed on Schedule 5.4. The Licenses and the FCC Licenses listed on Schedule 5.4 comprise all of the material licenses, permits, and other authorizations required from any governmental or regulatory authority for the lawful conduct in all material respects of the Station's Business in the manner and to the full extent it is now conducted, and, except as otherwise disclosed on Schedule 5.4, none of the Licenses are subject to any unusual or special restriction or condition that could reasonably be expected to limit materially the full operation of the Station as now operated. The FCC Licenses are in full force and effect, are valid for the balance of the current license term applicable generally to television stations licensed to the same community as the Station, are unimpaired by any acts or omissions of Seller or any of its Affiliates, or the employees, agents, officers, directors, or shareholders of Seller or any of their Affiliates, and are free and clear of any restrictions which might limit the full operation of the Station in the manner and to the full extent as it is now operated (other than restrictions under the terms of the licenses themselves or applicable to the television broadcast industry generally). Except as listed on Schedule 5.4 hereto, there are no applications, proceedings or complaints pending or, to Seller's Knowledge, threatened which may have an adverse effect on the Station's Business (other than

rulemaking proceedings that apply to the television broadcasting industry generally). Except as disclosed on Schedule 5.4 hereto, Seller is not aware of any reason why any of the FCC Licenses might not be renewed in the ordinary course for a full term without material qualifications or of any reason why any of the FCC Licenses might be revoked. Except as set forth on Schedule 5.4, to Seller's Knowledge, there are no facts relating to Seller which, under the Communications Act, as amended, or the existing rules of the FCC, would (a) disqualify Seller from assigning any of its FCC Licenses to Buyer, (b) cause the filing of any objection to the assignment of the FCC Licenses to Buyer, (c) lead to a delay in the processing by the FCC of the applications of the FCC Licenses to Buyer, or (d) disqualify Seller from consummating the transactions contemplated herein within the times contemplated herein. An appropriate public inspection file for the Station is maintained at the Station's studio in accordance with FCC rules.

5.5. **Real Property.** Access to the Station's transmission facilities are restricted in accordance with the policies of the FCC. Schedule 5.5 contains a complete description of all Real Property Interests (including street address, owner, and Seller's use thereof). The Real Property Interests listed on Schedule 5.5 comprise all interests in real property necessary to conduct the Station's Business. To Seller's Knowledge, each leasehold or subleasehold interest included on Schedule 5.5 is legal, valid, binding, enforceable and in full force and effect. Neither Seller nor, to Seller's Knowledge, any other party thereto is in material default, violation or breach under any lease or sublease and no event has occurred and is continuing that constitutes (with notice or passage of time or both) a material default, violation or breach thereunder. Seller has not received any notice of a default, offset or counterclaim under any lease or sublease with respect to any of the Real Property Interests. As of the date hereof and as of the Closing Date, Seller enjoys peaceful and undisturbed possession of the Leased Real Property; and so long as Seller fulfills their obligations under the lease therefor, Seller has enforceable rights to nondisturbance and quiet enjoyment against its lessor or sublessor; and, to Seller's Knowledge, except as set forth in Schedule 5.5, no third party holds any interest in the leased premises with the right to foreclose upon Seller's leasehold or subleasehold interest. Seller has legal and practical access to all of the Leased Real Property. Except as otherwise disclosed in Schedule 5.5, to Seller's Knowledge, all towers, guy anchors, ground radials, and buildings and other improvements included in the Assets are located entirely on the Leased Real Property listed in Schedule 5.5. All Real Property Interests (including the improvements thereon) (a) are in good condition and repair consistent with its current use, (b) are available for immediate use in the conduct of the Station's Business, and (c) comply in all material respects with all applicable material building or zoning codes and the regulations of any governmental authority having jurisdiction, except to the extent that the current use by Seller, while permitted, constitutes or would constitute a "nonconforming use" under current zoning or land use regulations. No eminent domain or condemnation proceedings are pending or, to Seller's Knowledge, threatened with respect to any Real Property Interests.

5.6. **Tangible Personal Property.** Schedule 5.6 lists the Tangible Personal Property comprising all material items of tangible personal property necessary to conduct the Station's Business. Except as described in Schedule 5.6, Seller owns and has good title to each item of Tangible Personal Property and none of the Tangible Personal Property owned by Seller is subject to any security interest, mortgage, pledge, conditional sales agreement, or other lien or encumbrance, except for Permitted Encumbrances. With allowance for normal repairs,

maintenance, wear and obsolescence, each material item of Tangible Personal Property is in good operating condition and repair and is available for immediate use in the business and operations of the Station. Except as set forth in Schedule 5.6, all material items of transmitting and studio equipment included in the Tangible Personal Property (a) have been maintained in a manner consistent with generally accepted standards of good engineering practice, and (b) will permit the Station and any auxiliaries thereto to operate in accordance with the terms of the FCC Licenses and the rules and regulations of the FCC and in all material respects with all other applicable federal, state and local statutes, ordinances, rules and regulations.

5.7. **Contracts.** Schedule 5.7 is a true and complete list of all Contracts relating to the Station except Contract relating to the Station that Buyer and/or its Affiliates are a party to. Seller has delivered or made available to Buyer true and complete copies of all written Assumed Contracts, and true and complete descriptions of all oral Assumed Contracts (including any amendments and other modifications to such Contracts). Other than the Contracts listed on Schedule 5.5 and Schedule 5.7, Seller requires no material contract, lease, or other agreement to enable it to carry on its business in all material respects as now conducted. All of the Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms except as the enforceability of such Contracts may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies. Neither Seller nor, to Seller's Knowledge, any other party thereto is in default, violation or breach in any material respect under any Contract and no event has occurred and is continuing that constitutes (with notice or passage of time or both) a default, violation, or breach in any material respect thereunder. Except as disclosed on Schedule 5.7, other than in the ordinary course of business, to Seller's Knowledge, no party to any Contract has any intention (a) to terminate such Contract or amend the terms thereof, (b) to refuse to renew the Contract upon expiration of its term, or (c) to renew the Contract upon expiration only on terms and conditions that are more onerous than those now existing. Except for the need to obtain the Consents listed on Schedule 5.5 and Schedule 5.7, the exchange and transfer of the Assets or the Shares in accordance with this Agreement will not affect the validity, enforceability, or continuation of any of the Contracts.

5.8. **Intangibles.** Schedule 5.8 is a true and complete list of all Intangibles (exclusive of Licenses listed in Schedule 5.4) that are required to conduct the Station's Business, all of which are valid and in good standing and uncontested. Seller has provided or made available to Buyer copies of all documents establishing or evidencing the Intangibles listed on Schedule 5.8. Seller owns or has a valid license to use all of the Intangibles listed on Schedule 5.8. Other than with respect to matters generally affecting the television broadcasting industry and not particular to Seller and except as set forth on Schedule 5.8, Seller has not received any notice or demand alleging that Seller is infringing upon or otherwise acting adversely to any trademarks, trade names, service marks, service names, copyrights, patents, patent applications, know-how, methods, or processes owned by any other Person, and there is no claim or action pending or, to Seller's Knowledge, threatened with respect thereto. To Seller's Knowledge, except as set forth on Schedule 5.8, no other Person is infringing upon Seller's rights or ownership interest in the Intangibles.

5.9. **Title to Properties; Sufficiency of Assets.**

(a) Seller has, as applicable, good and marketable title to the Assets and, except as disclosed in Schedule 5.9(a), the Assets are not subject to mortgages, pledges, liens, security interests, encumbrances, or other charges or rights of others of any kind or nature except for Permitted Encumbrances.

(b) At the Closing, Buyer will acquire all of the assets, properties and rights necessary and sufficient for the conduct and operation of the Station as currently conducted and operated or as proposed by Seller to be conducted and operated.

5.10. **[RESERVED]**.

5.11. **Taxes.** Except as set forth in Schedule 5.11, Seller has filed or caused to be filed all Tax Returns that are required to be filed with respect to its ownership and operation of the Station, and have paid or caused to be paid all Taxes shown on those returns or on any Tax assessment received by it to the extent that such Taxes have become due, or have set aside on its books adequate reserves (segregated to the extent required by generally accepted accounting principles) with respect thereto. There are no legal, administrative, or other Tax proceedings presently pending, and there are no grounds existing pursuant to which Seller is or could be made liable for any Taxes, the liability for which could extend to Buyer as assignees of the Station's Business.

5.12. **Insurance.** Schedule 5.12 contains a true and complete list of all insurance policies of or covering the Assets or relating to the operation of the Station. All policies of insurance listed in Schedule 5.12 are in full force and effect as of the date hereof. No insurance policy of Seller or the Station has been canceled by the insurer and, except as set forth on Schedule 5.12, no application of Seller for insurance has been rejected by any insurer.

5.13. **Reports.** All material returns, reports and statements that the Station is currently required to file with the FCC or Federal Aviation Administration have been filed, and all reporting requirements of the FCC and Federal Aviation Administration have been complied with in all material respects. All of such returns, reports and statements, as filed, satisfy all applicable legal requirements in all material respects.

5.14. **Personnel and Employee Benefits.**

(a) **Employees and Compensation.** Schedule 5.14 contains a true and complete list of all employees of Seller employed at the Station as of _____, 20___. Schedule 5.14 also contains a true and complete list of all employee benefit plans or arrangements covering the employees employed at the Station (the "**Employees**"), including, with respect to the Employees any:

(i) "Employee welfare benefit plan," as defined in Section 3(1) of ERISA, that is maintained or administered by Seller or to which Seller contributes or are required to contribute (a "**Welfare Plan**");

(ii) “Multiemployer pension plan,” as defined in Section 3(37) of ERISA, that is maintained or administered by Seller or to which Seller contributes or are required to contribute (a “**Multiemployer Plan**” and, together with the Welfare Plans, the “**Benefit Plans**”);

(iii) “Employee pension benefit plan,” as defined in Section 3(2) of ERISA (other than a Multiemployer Plan), to which Seller contributes or are required to contribute (a “**Pension Plan**”);

(iv) Employee plan that is maintained in connection with any trust described in Section 501(c)(9) of the Internal Revenue Code of 1986, as amended; and

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

(b) **Pension Plans**. Seller does not sponsor, maintain, or contribute to any Pension Plan.

(c) **Welfare Plans**. Seller does not maintain any Welfare Plan.

(d) **Benefit Arrangements**. Seller does not maintain any Benefit Arrangement.

(e) **Multiemployer Plans**. Seller has not at any time been a participant in any Multiemployer Plan.

(f) **Labor Relations**. Except as set forth in Schedule 5.14(g), Seller is not a party to or subject to any collective bargaining agreement or written or oral employment agreement with any Employee. With respect to the Employees, Seller has complied in all material respects with all laws, rules and regulations relating to the employment of labor, including those related to wages, hours, collective bargaining, occupational safety, discrimination, and the payment of social security and other payroll related taxes, and has not received any notice alleging that Seller has failed to comply materially with any such laws, rules, or regulations. Except as set forth on Schedule 5.14(g), no proceedings are pending or, to Seller’s Knowledge, threatened between Seller and any Employee (individually or collectively) that relate to the Station. Except as set forth on Schedule 5.14(g), no labor union or other collective bargaining unit represents or claims to represent any of the Employees. Except as set forth in Schedule 5.14(g), to Seller’s Knowledge, there is no union campaign being conducted to solicit cards from any Employees to authorize a union to represent any of the employees of Seller or to request a National Labor Relations Board certification election with respect to any Employees.

5.15. **Claims and Legal Actions.** Except as disclosed on Schedule 5.15 and except for any FCC rulemaking proceedings generally affecting the television broadcasting industry and not particular to Seller, there is no claim, legal action, counterclaim, suit, arbitration, or other legal, administrative, or tax proceeding, nor any order, decree, or judgment, in progress or pending or, to Seller's Knowledge, threatened against or relating to the Assets or the Station's Business, nor does Seller know of any basis for the same.

5.16. **Environmental Compliance.**

(a) Seller does not own any real property. Except as disclosed on Schedule 5.16: (i) none of the Tangible Personal Property and, to Seller's Knowledge, none of the Leased Real Property contains (A) any asbestos, polychlorinated biphenyls or any PCB contaminated oil, (B) any Contaminants, or (C) any underground storage tanks; (ii) no underground storage tank disclosed on Schedule 5.16 has leaked and has not been remediated or leaks and such tank is in substantial compliance with all applicable Environmental Laws; and (iii) to Seller's Knowledge, all of the Leased Real Property is in substantial compliance with all applicable Environmental Laws.

(b) To Seller's Knowledge, Seller has obtained all material permits, licenses and other authorizations that are required under all Environmental Laws.

5.17. **Compliance with Laws.** Except as set forth in Schedule 5.17, Seller has complied in all material respects with the Licenses and all material federal, state and local laws, rules, regulations and ordinances applicable or relating to the ownership and operation of the Assets and Station, and Seller has not received any notice of any material violation of federal, state and local laws, regulations and ordinances applicable or relating to the ownership or operation of the Assets and the Station.

5.18. **Conduct of Business in Ordinary Course.** Since _____, Seller has conducted the Station's Business in the ordinary course and, except as disclosed in Schedule 5.18, have not:

(a) made any material increase in compensation payable or to become payable to any of their employees other than those in the normal and usual course of business or in connection with any change in an employee's responsibilities, or any bonus payment made or promised to any of their Employees, or any material change in personnel policies, employee benefits, or other compensation arrangements affecting their employees;

(b) made any sale, assignment, lease, or other transfer of assets other than in the normal and usual course of business with suitable replacements being obtained therefor;

(c) canceled any debts owed to or claims held by Seller, except in the normal and usual course of business;

(d) made any changes in Seller's accounting practices; or

(e) transferred or granted any right under, or entered into any settlement regarding the breach or infringement of, any license, patent, copyright, trademark, trade name, franchise, or similar right, or modified any existing right.

5.19. **[RESERVED].**

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

5.21. **Insolvency Proceedings.** Seller is not, nor any of the Assets, are the subject of any pending or threatened insolvency proceedings of any character, including, without limitation, bankruptcy, receivership, reorganization, composition or arrangement with creditors, voluntary or involuntary. Seller has not made an assignment for the benefit of creditors or taken any action in contemplation of or which would constitute a valid basis for the institution of any such insolvency proceedings. Seller is not insolvent or become insolvent as a result of entering into or performing this Agreement.

5.22. **Ownership of the Shares.** Stockholder is the sole beneficial owner of the Shares. The Shares are duly and validly issued, fully paid and non-assessable, and at the Closing shall be free and clear of all liens, restrictions, claims, liabilities, pledges, conditions, security interests, encumbrances or preferential arrangements of any kind. Stockholder has the right, authority and power to sell, assign and transfer the Shares to Buyer or an Affiliate of Buyer.

5.23. **All Outstanding Shares.** The Shares represent one hundred percent (100%) of issued and outstanding capital stock (whether common, preferred, voting or non-voting) of Seller and neither Seller, Stockholder nor any other person or entity owns or has the right to acquire any stock options, stock appreciation rights, warrants, securities (including securities convertible into any capital stock) relating thereto.

5.24. **Good and Marketable Title.** Upon the transfer of the Shares to Buyer or an Affiliate of Buyer, Stockholder shall transfer, and Buyer or an Affiliate of Buyer shall receive, good and marketable title to, and beneficial ownership in, the Shares, free and clear of all liens, restrictions, claims, liabilities, pledges, conditions, security interests, encumbrances or preferential arrangements of any kind.

SECTION 6: REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as of the date hereof and as of the Closing Date (except for representations and warranties that speak as of a specific date or time, in which case, such representations and warranties shall be true and complete as of such date and time) as follows:

6.1. **Organization, Standing and Authority.** Buyer is a [corporation] duly organized, validly existing, and in good standing under the laws of the [State of Maryland] and

has the requisite corporate power and authority to execute, deliver, and perform this Agreement and the documents contemplated hereby according to their respective terms. Buyer has the requisite corporate power and authority to execute, deliver and perform this Agreement and the documents contemplated hereby according to their respective terms and to own the Assets.

6.2. **Authorization and Binding Obligation.** The execution, delivery and performance of this Agreement by Buyer has been duly authorized by all necessary action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes a legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms except as the enforceability of this Agreement may be affected by bankruptcy, insolvency or similar laws affecting creditors' rights generally and by judicial discretion in the enforcement of equitable remedies.

6.3. **Absence of Conflicting Agreements and Required Consents.** Subject to the receipt of the FCC Consent, the execution, delivery and performance by Buyer of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both), including the exercise of the Stock Option: (a) do not require the consent of any third party other than the Buyer's Lenders; (b) will not conflict with the Articles of Incorporation or Bylaws of Buyer; (c) will not conflict with, result in a breach of, or constitute a default under, any applicable law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality; and (d) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license or permit to which any Buyer is a party or by which any Buyer may be bound, other than the Buyer's Credit Agreement. Except for the FCC Consent provided for in Section 8.1 of this Agreement, no consent, approval, permit, or authorization of, or declaration to, or filing with any governmental or regulatory authority or any other third party is required (y) to consummate this Agreement and the transactions contemplated hereby, or (z) to permit Buyer to acquire the Assets or the Shares from Seller or to assume certain liabilities and obligations of Seller in accordance with Section 2.6 of this Agreement.

6.4. **Brokers.** No Buyer nor any person or entity acting on its behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the transactions contemplated by this Agreement.

6.5. **Buyer Qualifications.** Except as disclosed on Schedule 6.5, Buyer and Buyer's Affiliates are (and pending Closing will remain) legally, financially, and otherwise qualified to be the licensee of, acquire, own, and operate the Station under the Communications Act, and the rules, regulations, and policies of the FCC. Except as disclosed on Schedule 6.5, Buyer knows of no fact that would, under existing law and the existing rules, regulations, policies, and procedures of the FCC (a) disqualify Buyer as an assignee of the FCC Licenses or as the owner and operator of the Station, or (b) cause the FCC to fail to approve in a timely fashion the application for the FCC Consent. Except as disclosed on Schedule 6.5, no waiver of any FCC rule or policy is necessary to be obtained for the grant of the applications for the assignment of the FCC Licenses to Buyer.

SECTION 7: OPERATION OF THE STATION PRIOR TO CLOSING

Seller, to the extent applicable, covenants and agrees that between the date hereof and the Closing Date, it will operate the Station in the ordinary course in accordance with industry practice (except when such practice would conflict with the following covenants or with other obligations of Seller under this Agreement or the Operational Agreements); and except as contemplated by this Agreement or with the prior written consent of Buyer (such consent not to be unreasonably withheld), Seller will act in accordance with the following insofar as such actions relate to the Station:

7.1. **Contracts.** Seller will not renew, extend, amend or terminate, or waive any material right under any Contract, or enter into any contract or commitment or incur any obligation that will be assumed by or be otherwise binding on Buyer after Closing, except (a) the renewal or extension of any Contract that exists on the date hereof on its existing terms and in the ordinary course of business, and (b) other Contracts (other than network affiliation agreements, or time brokerage or local marketing arrangements) entered into in the ordinary course of business consistent with Seller's past practices that do not involve consideration, in the aggregate, in excess of Five Thousand Dollars (\$5,000) individually or Fifteen Thousand Dollars (\$15,000.00), except for Contracts that are for repairs and/or maintenance identified by Seller as required to maintain the Station's broadcast signal at current levels or repairs, provided that Seller shall notify Buyer of the scope and cost of such repairs prior to commencing such repairs. In the event Seller exceeds the Five Thousand Dollars (\$5,000) individually or Fifteen Thousand Dollar (\$15,000.00) limit set forth above, Buyer shall have no obligation to assume such Contract(s) on the Closing Date. Prior to the Closing Date, Seller shall deliver to Buyer a list of all Contracts entered into between the date of this Agreement and the Closing Date and shall make available to Buyer copies of such Contracts.

7.2. **Compensation.** From the date of this Agreement through the Closing Date, Seller shall not materially increase the compensation, bonuses, or other benefits payable or to be payable to any person employed in connection with the conduct of the Station's Business, except in accordance with past practices, as required by an employment agreement or consulting agreement or in connection and commensurate with the change in responsibility of any employee.

7.3. **Encumbrances.** Seller will not create, assume, or permit to exist any mortgage, pledge, lien, or other charge or encumbrance affecting any of the Assets or the Shares, except for (a) liens disclosed in Schedule 7.3, (b) liens that will be removed prior to the Closing Date, and (c) Permitted Encumbrances.

7.4. **Dispositions.** Seller will not sell, assign, lease, dividend, or otherwise transfer or dispose of any of the Assets except (a) Assets that are no longer used in the operations of the Station, and (b) Assets that are replaced with Assets of equivalent kind and value that are acquired after the date of this Agreement.

7.5. **Access to Information.** Upon one (1) day prior written notice by Buyer to Seller, Seller will give to Buyer and their investment advisors, lenders, counsel, accountants, engineers

and other authorized representatives reasonable access to the Assets and all books, records and documents of Seller which are material to the Station's Business, and will furnish or cause to be furnished to Buyer and their authorized representatives all information relating to Seller and the Assets that they reasonably request (including any financial reports and operations reports produced with respect to the Assets).

7.6. **Insurance.** Seller or their Affiliates shall maintain in full force and effect policies of insurance of the same type, character and coverage as the policies currently carried with respect to the Station's Business and the Assets.

7.7. **Licenses.** Seller shall not cause or permit, by any act or failure to act, any of the Licenses listed on Schedule 5.4 to expire or to be revoked, suspended or modified, or take any action that could reasonably be expected to cause the FCC or any other governmental authority to institute proceedings for the suspension, revocation or material adverse modification of any of the Licenses. Seller shall prosecute with due diligence any applications to any governmental authority necessary for the operation of the Station.

7.8. **Obligations.** Seller shall pay all of their obligations insofar as they relate to the Assets as they become due, consistent with past practices.

7.9. **Maintenance of Assets.** Seller shall maintain the Assets in good condition (ordinary wear, tear and casualty excepted) consistent with their overall condition on the date of this Agreement, and use, operate and maintain the Assets in a reasonable manner. Seller shall maintain inventories of spare parts and expendable supplies at levels consistent with past practices. If any insured or indemnified loss, damage, impairment, confiscation, or condemnation of or to any of the Assets occurs, Seller shall repair, replace, or restore the Assets to their prior condition as represented in this Agreement as soon thereafter as possible, and Seller shall use the proceeds of any claim under any property damage insurance policy or other recovery solely to repair, replace, or restore any of the Assets that are lost, damaged, impaired, or destroyed.

7.10. **Books and Records.** Seller shall maintain its books and records in accordance with past practices, as well as keep an appropriate public inspection file for the Station maintained at the Station's studio in accordance with the policies of the FCC.

7.11. **Notification.** Seller shall promptly notify Buyer in writing of any material developments with respect to the Station's Business or the Assets and of any material change in any of the information contained in the representations and warranties contained in Section 5 of this Agreement.

7.12. **Compliance with Laws.** Seller shall comply in all material respects with all material laws, rules and regulations.

7.13. **Compliance with Operational Agreements** . Seller, to the extent applicable, shall comply with all material provisions of the Operational Agreements.

7.14. **[RESERVED]**.

7.15. **Preservation of Business.** Seller shall use commercially reasonable efforts consistent with past practices to preserve the Station's Business and the organization of the Station and the Assets and to keep available to the Station its present employees and to preserve the audience of the Station and the Station's present relationships with suppliers, advertisers, and others having business relations with it.

7.16. **Normal Operations.** Subject to the terms and conditions of this Agreement (including, without limitation, Section 7.1), prior to the Closing, subject to the Operational Agreements, Seller shall carry on the Station's Business and the activities of the Station, including, without limitation, promotional activities, the sale of advertising time, entering into other contracts and agreements, purchasing and scheduling programming, performing research, and operating in all material respects in accordance with existing budgets and past practice and will not enter into trade and barter obligations except in the ordinary course of business consistent with past practice.

SECTION 8: SPECIAL COVENANTS AND AGREEMENTS

8.1. FCC Consent.

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

(b) No later than five (5) Business Days after the date of this Agreement, Seller and Buyer shall prepare and file with the FCC the appropriate application for FCC Consent. The parties shall prosecute the application with all reasonable diligence and otherwise use their respective best efforts to obtain a grant of the application as expeditiously as practicable. Each party agrees to make such additional filings with the FCC as may be necessary or appropriate to give effect to the transactions contemplated by this Agreement in the reasonable judgment of such party's FCC counsel. Each party agrees to comply with any condition imposed on it by the FCC Consent, except that no party shall be required to comply with a condition if (i) the condition was imposed on such party as the result of a circumstance the existence of which does not constitute a breach by that party of any of its representations, warranties or covenants hereunder, and (ii) compliance with the condition would have a Material Adverse Effect upon such party. Buyer and Seller shall oppose any petitions to deny or other objections filed with respect to the application for the FCC Consent and any requests for reconsideration or judicial review of the FCC Consent.

(c) If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party shall have terminated this Agreement under Section 11, the parties shall jointly request an extension of the effective period of the FCC Consent, as the case may be. No extension of the effective period of the FCC Consent shall limit the exercise by either party of its right to terminate the Agreement under Section 11.

8.2. **Risk of Loss.** The risk of any loss, damage, impairment, confiscation, or condemnation of any of the Assets of Seller for any cause whatsoever shall be borne by Seller at

all times prior to the Closing. In the event of loss or damage prior to the Closing Date, Seller shall use commercially reasonable efforts to fix, restore, or replace such loss, damage, impairment, confiscation, or condemnation to its former operational condition. If Seller has adequate replacement cost insurance, Buyer may elect to have Seller assign such insurance proceeds to Buyer, in which case, Buyer shall proceed with the Closing, and receive at the Closing the insurance proceeds or an assignment of the right to receive such insurance proceeds, as applicable, to which Seller otherwise would be entitled, whereupon Seller shall have no further liability to Buyer for such loss or damage.

8.3. **Confidentiality.** Except as necessary for the consummation of the transaction contemplated by this Agreement and except as and to the extent required by law, each party will keep confidential any information obtained from the other party in connection with the transactions specifically contemplated by this Agreement. If this Agreement is terminated, each party will return to the other party all information obtained by such party from the other party in connection with the transactions contemplated by this Agreement.

8.4. **Cooperation.** Buyer and Seller shall reasonably cooperate with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and in connection with any litigation after the Closing Date which relate to the Station for periods prior to the Effective Time, Buyer and Seller shall execute such other documents as may be reasonably necessary and desirable to the implementation and consummation of this Agreement, and otherwise use their commercially reasonable efforts to consummate the transaction contemplated hereby and to fulfill their obligations under this Agreement.

8.5. **Control of the Station.** Except as provided in the Operational Agreements or other agreements, prior to the Closing, Buyer shall not, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the operations of the Station; those operations, including complete control and supervision of Station's programs, employees and policies, shall be the sole responsibility of Seller.

8.6. **Allocation of Purchase Price.** Prior to the Closing Date of any Asset sale, Buyer and Seller shall agree upon the fair market value of the Assets of the Station (the “Fair Market Value of the Assets”) and shall collaborate in good faith in the preparation of mutually satisfactory Form(s) 8594 (and Form 8824 to the extent applicable) reflecting the Fair Market Value of the Assets as agreed to by Buyer and Seller and such other information as is required by the Form. Buyer and Seller shall each file with their respective federal income tax return for the tax year in which the Closing occurs, IRS Form(s) 8594 (and Form 8824 to the extent applicable) containing the information agreed upon by the parties pursuant to the immediately preceding sentence. Buyer agree to report the purchase of the Assets, and Seller agree to report the sale of the Assets for income tax purposes on their respective income tax returns in a manner consistent with the information agreed upon by the parties pursuant to this Section 8.6 and contained in the IRS Form(s) 8594 (and Form 8824 to the extent applicable). If Seller and Buyer are unable to agree on such allocation, Seller and Buyer agree to retain a nationally recognized appraisal firm experienced in valuing broadcast properties to appraise the Assets. The appraisal firm shall perform such appraisal promptly. Buyer shall pay the costs of such appraisal.

8.7. **Access to Books and Records.** To the extent reasonably requested by Buyer, Seller shall provide Buyer access and the right to copy, from and after the Closing Date, any books and records relating to the Assets that are not included in the Assets. To the extent reasonably requested by Seller, Buyer shall provide Seller access and the right to copy, from and after the Closing Date, any books and records relating to the Assets that are included in the Assets. Buyer and Seller shall each retain any such books and records, for a period of three (3) years (or such longer period as may be required by law or good business practice) following the Closing Date.

8.8. **Employee Matters.**

(a) Upon consummation of the Closing, Buyer shall offer employment to each of the employees listed on Schedule 8.8(a) at a comparable salary, position and place of employment as held by each such employee immediately prior to the Closing Date (such employees who are given such offers of employment are referred to herein as the “**Transferred Employees**”). Notwithstanding anything to the contrary contained herein, Buyer is not obligated to hire any of Seller’s employees or assume any Contract with any of Seller’s employees, all of which employees that are not so hired and Contracts that are not so assumed shall be Excluded Assets.

(b) Except as provided otherwise in this Section 8.8, Seller shall pay, discharge and be responsible for (i) all salary and wages arising out of or relating to the employment of the Employees prior to the Closing Date, and (ii) any employee benefits arising under the Benefit Plans or Benefit Arrangements of Seller and its Affiliates prior to the Closing Date. From and after the Closing Date, Buyer shall pay, discharge and be responsible for all salary, wages and benefits arising out of or relating to the employment of the Transferred Employees by Buyer on and after the Closing Date. To the extent similarly situated employees of Buyer are generally eligible for such benefits, Buyer shall be responsible for all severance liabilities, and all COBRA liabilities for any Transferred Employees of the Station terminated by Buyer on or after the Closing Date.

(c) Buyer shall cause all Transferred Employees as of the Closing Date to be eligible to participate in its “employee welfare benefit plans” and “employee pension benefit plans” (as defined in Section 3(1) and 3(2) of ERISA, respectively) in which similarly situated employees of Buyer are generally eligible to participate.

(d) For purposes of any length of service requirements, waiting period, vesting periods or differential benefits based on length of service in any such plan for which a Transferred Employee may be eligible after the Closing, Buyer shall ensure that, to the extent permitted by law, and except as limited by Buyer’s existing personnel policies, service by such Transferred Employee with Seller, any Affiliate of Seller or any prior owner of the Station shall be deemed to have been service with Buyer. In addition, Buyer shall ensure that each Transferred Employee receives credit under any welfare benefit plan of Buyer for any deductibles or co-payments paid by such Transferred Employee and his or her dependents for the current plan year under a plan maintained by Seller or any Affiliate of Seller to the extent allowable under any such plan. Buyer shall grant credit to each Transferred Employee for all sick leave in accordance with the policies of Buyer applicable generally to their employees after giving effect to service for Seller, any Affiliate of Seller or any prior owner of the Station, as service for Buyer. To the extent taken into account in determining prorations pursuant to Section 2.3 of this Agreement, Buyer shall assume and discharge Seller’s liabilities for the payment of all unused vacation leave accrued by Transferred Employees as of the Closing Date. To the extent any claim with respect to such accrued vacation leave is lodged against Seller with respect to any Transferred Employee for which Buyer has received a proration credit, Buyer shall, to the extent of such credit, indemnify, defend and hold harmless Seller from and against any and all losses, directly or indirectly, as a result of, or based upon or arising from the same.

(e) As soon as practicable following the Closing Date, Buyer shall make available to the Transferred Employees Buyer’s 401(k) Plan. To the extent requested by a Transferred Employee, Seller shall cause to be transferred to Buyer’s 401(k) Plan, in cash and in kind, all of the individual account balances of Transferred Employees under Seller’s Plan, including any outstanding plan participant loan receivables allocated to such accounts.

(f) Nothing in this Agreement shall be construed to provide employees of Seller with any rights under this Agreement, and no Person, other than the parties hereto, is or shall be entitled to bring any action to enforce any provision of this Agreement against any of the parties hereto, and the covenants and agreements set forth in this Agreement shall be solely for the benefit of, and shall only be enforceable by, the parties hereto and their respective successors and assigns as permitted hereunder.

8.9. **Public Announcements.** Seller and Buyer shall consult with each other before issuing any press releases or otherwise making any public statements with respect to this Agreement or the transactions contemplated herein and shall not issue any such press release or make any such public statement without the prior written consent of the other party, which shall not be unreasonably withheld; provided, however, that a party may, without the prior written consent of the other party, issue such press release or make such public statement as may be required by law or any listing agreement with a national securities exchange to which Buyer is a

party if it has used all reasonable efforts to consult with the other party and to obtain such other party's consent but has been unable to do so in a timely manner.

8.10. **Bulk Sales Law.** Buyer hereby waives compliance by Seller in connection with the transactions contemplated hereby with the provisions of any applicable bulk transfer laws.

8.11. **Notification of Certain Matters; Delivery of Disclosure Schedules.**

(a) Seller shall give prompt written notice to Buyer of (i) the occurrence or non-occurrence of any change, condition or event the occurrence or non-occurrence of which would render any representation or warranty of Seller contained in this Agreement, if made on or immediately following the date of such event, untrue or inaccurate, if such occurrence or non-occurrence of any change, condition or event is reasonably likely to have a Material Adverse Effect, (ii) the occurrence of any change, condition or event that has had or is reasonably likely to have a Material Adverse Effect, (iii) any failure of Seller to comply with or satisfy any covenant or agreement to be complied with or satisfied by any of them hereunder or any event or condition that would otherwise result in the nonfulfillment of any of the conditions to Buyer's obligations hereunder, (iv) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the consummation of the transactions contemplated by this Agreement or (v) any Action seeking to restrain, enjoin, otherwise prohibit or delay the consummation of the transactions contemplated by this Agreement that is pending or, to Seller's Knowledge, threatened.

(b) No later than ten (10) calendar days after the execution of this Agreement by Buyer and Seller, Seller shall deliver to Buyer, the disclosure schedules referenced in this Agreement. Seller shall supplement the information set forth on the disclosure schedules referenced in Section 5 with respect to any matter arising after the delivery of the disclosure schedules that, if after the date of this Agreement, would be required to be set forth or described in such disclosure schedules or that is necessary to correct any information in such disclosure schedules or in any representation or warranty of Seller which has been rendered inaccurate thereby promptly following discovery thereof. Such information shall be updated (i) periodically upon the request of Buyer but not more frequently than once per year beginning with the first anniversary of the date of this Agreement (if not terminated by Buyer or Seller pursuant to Section 11 of this Agreement), and (ii) three (3) Business Days prior to the Closing Date. No such supplement shall be deemed to cure any breach of any representation or warranty made in this Agreement or have any effect for purposes of determining the satisfaction of the conditions set forth in Section 9.1(a) of this Agreement, the compliance by Seller with any covenant set forth herein or Buyer's rights to indemnification pursuant to Section 12.2 of this Agreement. In the event that this Agreement is assigned by Buyer pursuant to 13.3 of this Agreement, Buyer will cooperate with Seller to update the information set forth in such disclosure schedules.

8.12. **Good Faith Performance; Other Covenants.** Seller will not by amendment of a charter or through any reorganization, consolidation, merger, dissolution, issue or sale of securities, sale of Assets, or any other voluntary action avoid or seek to avoid the observance or performance of any of the terms of this Agreement, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or

appropriate in order to protect the rights of Buyer under this Agreement. Seller shall not take any action that would result in any of the representations set forth in Section 5 of this Agreement being untrue or incorrect in any respect. In furtherance of the foregoing, Seller and Stockholder covenants and agrees that, during the term of this Agreement, neither he nor it shall:

(a) transfer or cause to be transferred any of the Shares or the beneficial ownership interest therein except to Buyer or an Affiliate of Buyer;

(b) issue to any Person who is not a party to this Agreement any additional securities or rights to acquire additional securities of Seller; and

(c) undertake, initiate, support and/or vote as a stockholder of Seller for any action that would cause Seller to sell, lease, transfer or convey any of the Assets or the assets of any television station owned by Seller, except to Buyer or an Affiliate of Buyer.

8.13. **No Inconsistent Action.** Neither Seller nor Buyer shall take any action that is inconsistent with their obligations under this Agreement in any material respect or that could reasonably be expected to hinder or delay the consummation of the transactions contemplated by this Agreement. No Seller, nor any of Seller's respective representatives or agents, shall, directly or indirectly, solicit, initiate, or participate in any way in discussions or negotiations with, or provide any confidential information to, any Person (other than Buyer or any Affiliate or associate of Buyer and their respective representatives and agents) concerning any possible disposition of the Station, the sale of any Assets, the sale or disposition of any stock or other security of Seller whether or not issued and outstanding on the date hereof, or any similar transaction.

8.14. **Option Shares not Registered.** Buyer acknowledges its awareness that neither the Stock Option nor the Shares have been or will be registered under the Securities Act of 1933, as amended (the "Act"), or under any applicable state securities laws (the "State Acts"). The provisions of this Agreement with respect to the Stock Option and the sale of the Shares, if applicable, are subject to the Act and the State Acts.

SECTION 9: CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER

9.1. **Conditions to Obligations of Buyer.** All obligations of Buyer at the Closing hereunder with respect to the Station are subject, at Buyer's option, to the fulfillment prior to or at the Closing Date of each of the following conditions:

(a) **Representations and Warranties.** All representations and warranties of Seller, contained in this Agreement shall be true and complete at and as of the Closing Date as though made at and as of that time (except for representations and warranties that speak as of a specific date or time which need only be true and complete as of such date or time), except where the failure to be so true and complete does not have a Material Adverse Effect.

(b) **Covenants and Conditions.** Seller, as applicable, shall have performed and complied with all covenants, agreements and conditions required by this Agreement to be

performed or complied with by it prior to or on the Closing Date, except where the failure to have performed and complied does not have a Material Adverse Effect.

(c) **FCC Consent.** The FCC Consent shall have been granted, notwithstanding that it may not have yet become a Final Order, unless any filing is made with the FCC that pertains to or becomes associated with any request for consent to the assignment of the FCC Licenses, in which case, Buyer shall not be obligated to close until the FCC Consent shall have become a Final Order, unless in the reasonable judgment of Buyer's counsel such objection would not reasonably be expected to result in a denial of the FCC Consent or the designation for hearing of the application for FCC Consent.

(d) **Governmental Authorizations.** Seller shall be the holder of the FCC Licenses, and there shall not have been any modification, revocation, or non-renewal of any License that has caused a Material Adverse Effect. No proceeding shall be pending the effect of which could be to revoke, cancel, fail to renew, suspend, or modify materially and adversely any FCC License.

(e) **Deliveries.** Seller shall have made or stand willing to make all the deliveries to Buyer described in Section 10.2 of this Agreement.

(f) **Material Adverse Effect.** There shall not have occurred any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or is reasonably likely to have a Material Adverse Effect.

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

(a) **Representations and Warranties.** All representations and warranties of Buyer, contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though made at and as of that time.

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

(c) **FCC Consent.** The FCC Consent shall have been granted.

(d) **Deliveries.** Buyer shall have made or stand willing to make all the deliveries described in Section 10.3 of this Agreement.

SECTION 10: CLOSING AND CLOSING DELIVERIES

10.1. Closing.

(a) Closing Date.

(i) Except as provided below in this Section 10.1 or as otherwise agreed to by Buyer and Seller, the Closing hereunder shall be held on a date specified by Buyer on at least five (5) Business Days' written notice (a "**Closing Notice**") that is not earlier than the first business day after or later than ten (10) Business Days after the date on which all of the conditions to Closing set forth in Sections 9.1 and 9.2 of this Agreement have been satisfied or waived.

(ii) If any event occurs that prevents signal transmission by the Station in the normal and usual manner and Seller cannot restore the normal and usual transmission before the date on which the Closing would otherwise occur pursuant to this Section 10.1(a), and this Agreement has not been terminated under Section 11, Seller shall diligently take such action as reasonably necessary to restore such transmission, and, at Buyer's option, the Closing shall be postponed until a date within the effective period of the FCC Consent (as it may be extended pursuant to Section 8.1(c) of this Agreement) to allow Seller to restore the normal and usual transmission for the Station. If the Closing is postponed by Buyer pursuant to this paragraph, the date of the Closing shall be ten (10) days after notice by Seller to Buyer that transmission has been restored. Notwithstanding anything to the contrary in this Agreement, Buyer shall not be obligated to close if the transmission of the Station is not operating in the normal and usual manner, unless and until Seller has restored the transmission of the Station to its normal and usual level.

(iii) If there is in effect on the date on which the Closing would otherwise occur pursuant to this Section 10.1(a) any judgment, decree or order that would prevent or make unlawful the Closing on that date, the Closing shall be postponed until a date within the effective period of the FCC Consent (as it may be extended pursuant to Section 8.1(c) of this Agreement), to be agreed upon by Buyer and Seller, when such judgment, decree, or order no longer prevents or makes unlawful the Closing. If the Closing is postponed pursuant to this paragraph, the date of the Closing shall be ten (10) days after notice by Buyer to Seller that such judgment, decree, or order no longer prevents or makes unlawful the Closing.

(b) **Closing Place.** The Closing hereunder shall be held at the offices of Thomas & Libowitz, P.A., 100 Light Street, Suite 1100, Baltimore, Maryland, 21202, or any other place that is mutually agreed upon by Buyer and Seller.

10.2. **Deliveries by Seller.** Prior to or on the Closing Date, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and their counsel:

(a) **Conveyancing Documents.** If Buyer purchases the Assets, duly executed deeds, bills of sale, motor vehicle titles, assignments, and other transfer documents that are sufficient to vest good and marketable title to the Assets being transferred at the Closing in the name of Buyer, free and clear of all mortgages, liens, restrictions, encumbrances, claims and obligations except for Permitted Encumbrances.

(b) **Officer's Certificate.** A certificate, dated as of the Closing Date, executed by an officer or member (as applicable) of Seller, certifying: (i) that the representations and warranties of Seller contained in this Agreement are true and complete as of the Closing Date as though made on and as of that date (except for representations and warranties that speak as of a specific

date or time, which need only be true and complete as of such date or time), except to the extent that the failure of such representations and warranties shall not have had a Material Adverse Effect, and (ii) that Seller has in all respects performed and complied with all of its obligations, covenants and agreements in this Agreement to be performed and complied with on or prior to the Closing Date, except to the extent that the failure to perform such covenants shall not have had a Material Adverse Effect.

(c) **Secretary's Certificate.** A certificate, dated as of the Closing Date, executed by Seller's Secretary or other appropriate official (i) certifying that the resolutions, as attached to such certificate, were duly adopted by such Seller's Board of Directors authorizing and approving the execution of this Agreement and the consummation of the transactions contemplated hereby and that such resolutions remain in full force and effect, and (ii) providing, as attachments thereto, the Articles of Incorporation and Bylaws of Seller.

(d) **Good Standing Certificates.** Certificates as to the formation and/or good standing of Seller issued by the Secretary of State of the State of Delaware dated a date not more than a reasonable number of days prior to the Closing Date.

(e) **Share Certificates.** If Buyer purchases the Shares pursuant to the Stock Option, rather than delivering the conveyancing documents required by Section 10.2(a) of this Agreement, Seller shall cause to be issued in the name of and delivered to Buyer a certificate or certificates representing the Shares so purchased, duly endorsed in blank or accompanied by stock powers duly endorsed in blank in proper form for transfer, and such other documentation as Buyer deems legally necessary to transfer title to and beneficial ownership in the Shares into the name of Buyer or an Affiliate of Buyer.

(f) **RESERVED.**

(g) **RESERVED.**

(h) **RESERVED.**

(i) **Other Documents.** Such other documents reasonably requested by Buyer or their counsel for complete implementation of this Agreement and consummation of the transaction contemplated hereby.

10.3. **Deliveries by Buyer.** Prior to or on the Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and their counsel:

(a) **Closing Payment.** The payment due to Seller as described in Section 2.3 or Section 3.3(c) of this Agreement, as applicable.

(b) **Officer's Certificate.** A certificate, dated as of the Closing Date, executed on behalf of an officer of Buyer, certifying (i) that the representations and warranties of each Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date, and (ii) that Buyer has in all material respects performed

and complied with all of their obligations, covenants and agreements in this Agreement to be performed and complied with on or prior to the Closing Date.

(c) **Secretary's Certificate.** A certificate, dated as of the Closing Date, executed by Buyer's Secretary or other appropriate official, as applicable: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Buyer's Board of Directors or members, as applicable, authorizing and approving the execution of this Agreement and the consummation of the transactions contemplated hereby and that such resolutions remain in full force and effect; and (ii) providing, as an attachment thereto, Buyer's Certificate of Incorporation and Bylaws or the Articles of Organization, as applicable.

(d) **Assumption Agreements.** If Buyer purchases the Assets, appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations and liabilities to the extent provided under this Agreement for the Station, including (without limitation) under the Licenses and the Assumed Contracts.

(e) **Good Standing Certificates.** Certificates as to the formation and/or good standing of Buyer issued by the Secretary of State of the State of Nevada to be dated a date not more than a reasonable number of days prior to the Closing Date.

SECTION 11: TERMINATION

11.1. **Reserved.**

11.2. **Reserved.**

11.3. **Termination by Buyer.** This Agreement may be terminated by Buyer and the exchange and transfer of the Station abandoned:

(a) upon written notice to Seller if, on the date that would otherwise be the Closing Date, any of the conditions precedent to the obligations of Buyer set forth in Sections 9.1(a), 9.1(b), 9.1(c), and 9.1(e) of this Agreement has not been satisfied or waived in writing by Buyer, and Buyer is not then in material default hereunder; or

(b) if Seller shall have defaulted in the performance of any of Seller's obligations under this Agreement, and such default is not cured within thirty (30) days after notice thereof to Seller and such default has had a Material Adverse Effect.

11.4. **Termination Date.** Unless extended by mutual consent of Buyer and Seller, this Agreement shall terminate if Closing has not occurred by the Termination Date.

11.5. **Rights on Termination.** If this Agreement is terminated by Buyer pursuant to Section 11.3 as a result of a material breach by any Seller of any provision of this Agreement, Buyer shall have all rights and remedies available at law or equity, including the remedy of specific performance described in Section 11.5 below, and such termination shall not affect the rights to the payment set forth in Section 11.9 below.

11.6. **Specific Performance.** The parties recognize that, if any party hereto breaches this Agreement and refuses to perform under the provisions of this Agreement, monetary damages alone would not be adequate to compensate the other party for its injury. Such party shall therefore be entitled, in addition to any other remedies that may be available, to obtain specific performance of the terms of this Agreement. If any action is brought by such party to enforce this Agreement, the breaching party shall waive the defense that there is an adequate remedy at law.

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

11.8. **Survival.** Notwithstanding the termination of this Agreement pursuant to this Section 11, the obligations of Buyer and Seller set forth in Sections 8.3, 11, 12, and 13 of this Agreement shall survive such termination, and the parties hereto shall have any and all rights and remedies to enforce such obligations provided at law or in equity or otherwise (including without limitations, specific performance).

SECTION 12: SURVIVAL OF REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION; CERTAIN REMEDIES

12.1. **Survival of Representations.** All representations and warranties, covenants and agreements of Seller and Buyer contained in or made pursuant to this Agreement or in any certificate furnished pursuant hereto shall survive the Closing Date and shall survive and remain in full force and effect for a period of sixty (60) calendar days; provided that the covenants and agreements set forth in Section 8.3(Confidentiality), Section 8.4 (Cooperation), Section 8.7 (Access to Books and Records), Section 13.1 (Fees and Expenses), Section 13.2 (Notices), and Section 13.3 (Benefit and Binding Effect), shall survive the Closing for the period provided therein or, if no period is specified, in perpetuity; and provided further that anything to the contrary in this Section 12.1 notwithstanding, any claim for indemnification under Section 12 hereof which is asserted in a reasonably detailed writing prior to the expiration of the survival periods provided in this Section 12.1 shall survive with respect to such claim or dispute until final resolution thereof.

12.2. **Indemnification by Seller.** After the Closing but subject to Sections 12.1 and 12.5 of this Agreement, Seller hereby agrees to indemnify and hold Buyer harmless against and with respect to and shall reimburse Buyer for:

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

(b) any Loss resulting from the actual fraud or intentional misconduct of Seller or Stockholder;

(c) any Loss arising out of or resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant by Seller contained in this Agreement or in any certificate, document, or instrument delivered to Buyer under this Agreement;

(d) any and all out-of-pocket costs and expenses, including reasonable legal fees and expenses, incident to any action, suit, proceeding, claim, demand, assessment, or judgment incident to the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof or enforcing this indemnity.

12.3. **Indemnification by Buyer.** Notwithstanding the Closing, but subject to Sections 12.1 and 12.5 of this Agreement, Buyer hereby agrees to indemnify and hold Seller harmless against and with respect to and shall reimburse Seller for:

(a) any Loss arising out of or resulting from any untrue representation, breach of warranty, or nonfulfillment of any covenant by Buyer contained in this Agreement or in any certificate, document, or instrument delivered to Seller under this Agreement;

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

(c) any and all out-of-pocket costs and expenses, including reasonable legal fees and expenses, incident to any action, suit, proceeding, claim, demand, assessment, or judgment incident to the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

12.4. **Procedure for Indemnification.** The procedure for indemnification shall be as follows:

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

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

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

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

(e) The indemnification rights provided in Sections 12.2 and 12.3 of this Agreement shall extend to the members, partners, shareholders, officers, directors, employees, representatives and affiliated entities of any Claimant although for the purpose of the procedures set forth in this Section 12.4, any indemnification claims by such parties shall be made by and through the Claimant.

12.5. **Certain Limitations.**

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

(b) Seller shall not be required to indemnify Buyer for any Loss that is more than the amount paid by Buyer to Seller as the Purchase Price at Closing.

(c) Notwithstanding anything in this Agreement to the contrary, neither party shall indemnify or otherwise be liable to the other party with respect to any claim for any breach of

any representation or warranty or for breach of any covenant contained in this Agreement, unless notice of the claim is given within the relevant survival period specified in Section 12.1.

SECTION 13: MISCELLANEOUS

13.1. Fees and Expenses.

(a) Buyer shall pay any filing fees charged by the FCC in connection with filing the applications to obtain the FCC Consent

(b) Buyer shall pay any filing fees, transfer taxes, document stamps, or other charges levied by any governmental entity (other than income Taxes, which shall be the responsibility of Seller) on account of the transfer of the Assets or the Shares from Seller to Buyer.

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

13.2. Notices. All notices, requests, consents, payments, demands, and other communications required or contemplated under this Agreement shall be in writing and (a) personally delivered or sent via telecopy (receipt confirmed and followed promptly by delivery of the original), or (b) sent by Federal Express or other reputable overnight delivery service (for next Business Day delivery), shipping prepaid, as follows:

If to Buyer to:

[_____]

with a copy to (which shall not constitute notice):

[_____]

If to Seller to:

[_____]

with a copy to (which shall not constitute notice):

[_____]

or to such other Persons or addresses as any Person may request by notice given as aforesaid. Notices shall be deemed given and received at the time of personal delivery or completed telecopying, or, if sent by Federal Express or such other overnight delivery service one Business Day after such sending.

13.3. **Benefit and Binding Effect.** Buyer shall have the right to assign all or any portion of their rights and obligations under this Agreement to (a) any entity under common control with Buyer whether in existence or formed after the date hereof, (b) a Qualified Intermediary under Section 1031 of the Code, (c) any lender or any agent for such lender(s) for collateral purposes only, or (d) any third party, with prior five days prior written notice to Seller, provided, that no such assignment shall relieve Buyer of its obligations hereunder. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No Person, other than the parties hereto, is or shall be entitled to bring any action to enforce any provision of this Agreement against any of the parties hereto, and the covenants and agreements set forth in this Agreement shall be solely for the benefit of, and shall be enforceable only by, the parties hereto or their respective successors and assigns as permitted hereunder. Other than as expressly set forth in this Section 13.3, no party may assign or transfer all or any portion of its rights under this Agreement without the prior written consent of the parties hereto.

13.4. **Further Assurances.** The parties shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

13.5. **GOVERNING LAW.** THIS AGREEMENT SHALL BE GOVERNED, CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF MARYLAND (WITHOUT REGARD TO THE CHOICE OF LAW PROVISIONS THEREOF). IN ADDITION, EACH OF THE PARTIES HERETO SUBMITS TO LOCAL JURISDICTION IN THE STATE OF MARYLAND AND AGREES THAT ANY ACTION BY ANY PARTY HEREUNDER SHALL BE INSTITUTED IN THE STATE OF MARYLAND.

13.6. **Entire Agreement.** This Agreement, the Schedules hereto, and all documents, certificates and other documents to be delivered by the parties pursuant hereto represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter of this Agreement. This Agreement supersedes all prior negotiations between the parties and cannot be amended, supplemented, or changed except by an agreement in writing duly executed by each of the parties hereto.

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

behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliance as set forth in this Section 13.7.

13.8. **Headings.** The headings of the sections and subsections contained in this Agreement are inserted for convenience only and do not form a part or affect the meaning, construction or scope thereof.

13.9. **Counterparts.** This Agreement may be signed in two or more counterparts with the same effect as if the signature on each counterpart were upon the same instrument.

[Signatures Begin on Following Page]

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

Buyer:

[Sinclair Entity]

By: _____

Name: _____

Title: _____

Seller:

[_____]

By: _____

Name: _____

Title: _____

In his individual capacity for purposes of Section 3.2 only

[Stockholder]

REDACTED - FOR PUBLIC INSPECTION

SCHEDULE I

AMENDED AND RESTATED SHARED SERVICES AGREEMENT

THIS AMENDED AND RESTATED SHARED SERVICES AGREEMENT (this "*Agreement*") is entered into on [_____,], by and between Reno (KARNV-TV), Inc. ("*OpCo*"), and Reno (KARNV-TV) Licensee, Inc. ("*KARNV License Co.*"), Reno (KENV-TV) License, Inc. ("*KENV License Co.*", and together with KARNV License Co and OpCo, "*Station Licensee*"), and Sinclair Television Group, Inc. ("*Service Provider*").

WITNESSETH:

WHEREAS, Service Provider owns and operates television station KRXI-TV, Reno, Nevada (the "*Service Station*");

WHEREAS, Service Provider or its affiliates entered into that certain Purchase Agreement dated as of November 18, 2013, with Sierra Communications, LLC and Ruby Mountain Broadcasting, LLC (collectively, "*Seller*"), pursuant to which, Service Provider had the right and obligation to acquire the FCC licenses and certain assets of television stations KENV-DT, Elko, NV and KARNV-DT, Reno, NV (collectively, the "*Station*");

WHEREAS, in connection with the Purchase Agreement, Service Provider and Seller have entered into a joint sales agreement ("*JSA*") and a shared services agreement ("*SSA*"), each dated as of October 31, 2013;

WHEREAS, Station Licensee has entered into that certain Assignment dated as of [_____, 2013] (the "*Assignment Agreement*") pursuant to which, upon and following the consent of the FCC (as defined below), Station Licensee (i) will purchase and acquire the licenses and certain assets of the Station from Seller and shall assume the JSA and the SSA, (ii) and (ii) has agreed to amend and restate the SSA as set forth herein. Capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Assignment Agreement;

WHEREAS, it is the parties' expectation that Service Provider, with its experience and operating infrastructure, is capable of providing services to Station Licensee which will permit Station to maintain or improve the overall efficiency of the its operating processes and reduce costs, thereby helping the Station to serve the television viewing public in the Market;

WHEREAS, in view of the desire of the parties to obtain important efficiencies through shared services provided by the Service Station, and the role such services are likely to provide in the efficient promotion of the business development of the Station, the parties hereto desire to enter into this Agreement; and

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be bound legally, agree as follows:

1. *Defined Terms.*

1.1 For purposes of this Agreement:

"Affiliate" means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, without limitation, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of directors (or comparable governing body) of such Person, or (B) owns a majority of the beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

"Applicable Law" means any of the Communications Act, the FCC Rules, and all other federal, state and local constitutions, laws, statutes, codes, rules, regulations, ordinances, judgments, orders, decrees and the like of any governmental entity, including common law.

"Commencement Date" shall have the meaning ascribed thereto in the JSA.

"FCC" means the Federal Communications Commission or any successor agency thereto.

"FCC Rules" means the rules and published policies of the FCC as in effect from time to time.

"Market" means the Nielsen Designated Market Area that encompasses the Station.

"MVPD" means cable television systems, direct-broadcast-satellite systems, local exchange carriers, and all other multichannel video programming distributors that distribute the signals of a television broadcast station.

"Person" includes, without limitation, natural persons, corporations, business trusts, associations, companies, joint ventures, and partnerships.

"Third Party Claim" means any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding, or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement.

"Transaction Documents" means this Agreement, the JSA, and the other documents, agreements and instruments executed by the parties hereto and thereto in connection therewith.

1.2 In addition to the defined terms in the preamble, recitals and Section 1(a) hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

Term

Section

<u>Term</u>	<u>Section</u>
Base SSA Amount	Schedule A
Communications Act	Section 2
Initial Term	Section 9.1
Lease Terms	Section 5
MVPD	Section 4.1
Performance Bonus	Schedule A
Principal Agreements	Schedule A
Service Provider Premises	Exhibit 5
Services Fee	Section 7
Term	Section 9.2
Transition-Tail Period	Exhibit 5

2. ***General Principles Governing Sharing Arrangements.*** All sharing arrangements contemplated by this Agreement will be subject to, and are intended to comply in all respects with, the Communications Act of 1934, as amended (the “***Communications Act***”), the FCC Rules and all other Applicable Law. The arrangements made pursuant to this Agreement will not be deemed to constitute “joint sales,” “program services,” “time brokerage,” “local marketing,” or similar arrangements, or a partnership, joint venture, or agency relationship between the parties, and no such arrangement will be deemed to give Service Provider any right to control the policies, operations, management or any other matter relating to the Station.

3. ***Certain Services Not to be Shared.***

3.1 ***Senior Management Personnel.*** Station Licensee shall maintain for the Station sufficient personnel to comply with its obligations as a broadcast licensee under the FCC’s rules. Such personnel shall (a) include not less than one managerial employee, and (b) be retained solely by, and report solely to, Station Licensee.

3.2 ***Programming.*** Station Licensee shall retain ultimate authority with respect to the selection and procurement of programming on the Station and in furtherance thereof, each of Station Licensee and Service Provider shall maintain for its own respective broadcast television station(s), including the Station and the Service Station, separate managerial and other personnel to carry out its selection and procurement of programming for its station(s).

4. ***Licensee’s Retained Authority Concerning Station Carriage by MVPDs.***

4.1 Station Licensee shall retain the authority (a) to make elections for must-carry or retransmission consent status, as permitted under the FCC Rules, and (b) to negotiate, execute, and deliver retransmission consent agreements with cable, satellite, and other multichannel video providers (“***MVPDs***”) for which Station Licensee has provided timely notice of its election of retransmission consent.

4.2 Subject to the foregoing, Station Licensee agrees to take all commercially reasonable steps in a timely manner to assert, enforce, defend, and preserve the rights of the Station to carriage of the Station’s signals by MVPDs that may exist under Applicable Law as

necessary to ensure that the Station has valid and enforceable arrangements with all material MVPDs in the Market.

5. **Lease.** Upon the Commencement Date and during the Term, Service Provider shall make available to Station Licensee (a) such premises and facilities as may be reasonably necessary to (i) conduct broadcast operations from such location and establish the main studio of the Station at such location and (ii) for the employees of Station Licensee at the Station to conduct the applicable business and operations of the Station; provided, that all such access and use shall be pursuant to the terms and subject to the conditions set forth in *Exhibit 5* attached hereto (the "**Lease Terms**") and (b) the use of, certain tangible personal property with respect to the Station or Service Station sufficient to ensure and enable Station Licensee to conduct broadcast operations of the Station consistent with, and pursuant to, the FCC Rules and the Communications Act.

6. **Shared Services.** Subject to Station Licensee's ultimate supervision and control, Service Provider agrees to provide to Station Licensee the following services to support the operation of the Station; provided, that such supervision and control shall not be deemed to permit Station Licensee to expand in any material respect the obligations of Service Provider or to require Service Provider to incur any material additional obligation or liability hereunder:

6.1 *Technical Services.*

(a) Commencing on the Commencement Date, Service Provider shall perform monitoring and maintenance of the Station's technical equipment and facilities and, upon the request of Station Licensee, shall assist Station Licensee with the installation, repair, maintenance and replacement of the Station's equipment and facilities and otherwise assist in the performance of Station Licensee's obligations under Section 5.1 of the JSA; provided, however, subject to the obligations of Service Provider (as Sales Agent) pursuant to Section 5.2 and Schedule 3.1 of the JSA, Station Licensee shall be responsible for all capital and equipment replacement expenditures, except for those relating to equipment and other tangible personal property being provided to Station Licensee pursuant to the terms of Section 5 hereof.

(b) Commencing on the Commencement Date, Service Provider shall make available to Station Licensee, on an independent contractor basis, a staff engineer employed by Service Provider to assist the chief operator for the Station in fulfilling its duties as specified by the FCC Rules.

6.2 *Promotional and Other Services.* Service Provider shall be responsible for the promotion of the Station; provided, however, that Station Licensee shall have the right to supplement the promotional efforts undertaken by Service Provider, but shall coordinate such efforts with Service Provider to maintain image consistency with Service Provider's promotional efforts. Service Provider shall (a) maintain and operate a website associated with the Station, whether (i) the current website for the Station (and its corresponding domain name) or (ii) another website (and other domain name) that is prominently associated with the Station, or (b) combine the current Station website with a website for the Service Station and be operated as a single website for the Station and the Service Station or otherwise include in the navigation structure of each such website for the Station and the Service Station links and navigation to such

other site, and (c) provide, maintain and operate such mobile applications and other forms of promotional services and activities using new technology as Service Provider shall deem appropriate under the circumstances, which may be integrated into similar applications, services and activities provided to the Service Station .

6.3 *Back-Office and Related Support Services.* Service Provider shall provide reasonable and customary back-office support services with respect to the business of the Station, including with respect to traffic, the collection of accounts receivable in a manner consistent with Service Provider's own practices, and payroll and other similar, related services.

7. *Services Fee.* In consideration for the services to be provided to Station Licensee by Service Provider pursuant to this Agreement, Station Licensee shall pay to Service Provider with respect to each calendar month during the term of this Agreement the amount set forth in Schedule A hereto (the "*Services Fee*"). The Services Fee will be payable monthly, in arrears and will be prorated on a daily basis for the first and last months during which this Agreement is in effect. The payment of the Services Fee hereunder shall be due and payable upon, and subject to, the payments due in respect of such calendar month under the JSA.

8. *Service Provider Costs.* Service Provider shall be solely responsible for the salaries, taxes and related costs for all personnel employed by Service Provider who are used by Service Provider in the performance of Service Provider's obligations hereunder, including, without limitation, any publicity or promotional expenses incurred in performing its obligations hereunder.

9. *Term of Agreement.*

9.1 *Initial Term.* This Agreement shall be deemed effective, and the initial term hereof shall commence, on and as of the Commencement Date and such initial term (the "*Initial Term*") shall continue until the eighth (8th) anniversary of the Commencement Date, unless terminated in accordance with Section 13 below.

9.2 *Renewal Term.* This Agreement shall be renewed automatically for successive eight-year renewal terms (the Initial Term and any such renewal term hereinafter referred to as the "*Term*") unless Service Provider provides the Station Licensee with written notice of non-renewal at least one-hundred-eighty (180) days prior to the expiration of the then-current Term.

10. *Representations and Warranties of Station Licensee.* Station Licensee represents and warrants to Service Provider as follows:

10.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Station Licensee have been duly authorized by all necessary organizational action on the part of Station Licensee. This Agreement has been duly executed and delivered by Station Licensee and constitutes the legal, valid, and binding obligation of Station Licensee, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization, or other similar laws of general application affecting the

enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

10.2 *Absence of Conflicting Agreements or Consents.* The execution, delivery, and performance by Station Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizational documents of Station Licensee; (b) to the actual knowledge of Station Licensee or its respective Affiliates, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Station Licensee; (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, license, or permit to which Station Licensee is a party or by which it is bound as of the date of this Agreement; and (d) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station owned by Station Licensee other than as set forth on Schedule 10.2(d).

11. *Representations and Warranties of Service Provider.* Service Provider represents and warrants to Station Licensee as follows:

11.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Service Provider have been duly authorized by all necessary organizational action on the part of Service Provider. This Agreement has been duly executed and delivered by Service Provider and constitutes the legal, valid, and binding obligation of Service Provider, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

11.2 *Absence of Conflicting Agreements and Required Consents.* The execution, delivery, and performance by Service Provider of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizing documents of Service Provider; (b) to the actual knowledge of Service Provider or its Affiliates, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Service Provider; and (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license or permit to which Service Provider is a party or by which it is bound as of the date hereof.

12. *Insurance.* Station Licensee shall maintain in effect policies of insurance insuring the assets and the business of the Station pursuant to the terms, and subject to the conditions, of the JSA.

13. **Termination.**

13.1 *Mutual Agreement.* This Agreement may be terminated at any time by mutual agreement of the parties.

13.2 *Automatic Termination.* This Agreement shall terminate automatically without any further action by the parties upon the termination of the JSA in accordance with its terms.

13.3 *Certain Matters Upon Termination.* No expiration or termination of this Agreement shall terminate the obligations of any party hereto to indemnify any other party for Third Party Claims under Section 14 of this Agreement, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination or expiration.

14. **Indemnification.** After the Commencement Date, the indemnification provided by Article 8 of the JSA, the terms and conditions of which are hereby incorporated by reference and made a part hereof, shall be the sole and exclusive remedy of Station Licensee and Service Provider against the other party for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Agreement; provided, that neither this Section 14 nor Section 8.7 of the JSA shall prohibit (a) injunctive relief (including specific performance) pursuant to Section 21 if available under Applicable Law or (b) any other remedy available at law or in equity for any fraud committed in connection with this Agreement.

15. **Force Majeure.** Any delay or interruption in the broadcast operation of the Station, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action, riots, natural disasters or any other cause not reasonably within the control of a party shall not constitute a breach of this Agreement, and no party shall be liable to any other party for any liability or obligation with respect thereto.

16. **Unenforceability.** Section 9.4 of the JSA is hereby incorporated by reference herein and made a part hereof.

17. **Notices.** All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be given in accordance with Section 9.10 of the JSA.

18. **Assignment; Binding Agreement.** Neither party may assign this Agreement or delegate its obligations under this Agreement without the prior written consent of the other. Notwithstanding anything to the contrary contained herein, each party shall assign its rights and obligations under this Agreement to any Person to whom it assigns its respective rights and obligations under the JSA. Upon any assignment of this Agreement, Station Licensee shall pay, or shall cause to be paid, all amounts accrued and owing to Service Provider as of the consummation date of such assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Any permitted assignee of any party hereto shall be a "party" to this Agreement for all purposes hereof.

19. ***Entire Agreement; Amendment; Waiver.*** This Agreement, the JSA, the Assignment Agreement, the Option Agreement (as defined in the JSA) and the exhibits and schedules hereto and thereto, embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. Notwithstanding anything to the contrary contained herein or in any of the other Transaction Documents, the parties acknowledge and agree that Service Provider may offset any amount owed by Station Licensee to Service Provider pursuant to this Agreement as a credit against any amount owed by Service Provider to Station Licensee pursuant to any other Transaction Document. No term or provision hereof may be changed, modified, amended, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by the parties hereto. No waiver of any of the provisions or conditions of this Agreement or of any of the rights, powers or privileges of a party shall be effective or binding unless in writing and signed by the party claimed to have given or consented to such waiver.

20. ***Governing Law; Waiver of Jury Trial.*** Section 9.3 of the JSA is hereby incorporated by reference herein and made a part hereof.

21. ***Specific Performance.*** The parties hereby agree that the services to be provided hereunder are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, to the extent permitted by the Communications Act and the FCC Rules then in effect, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

22. ***Confidentiality.*** Each party hereto agrees that it will not at any time during or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other parties hereto. To the extent required by the Communications Act or the FCC Rules, each party shall place a copy of this Agreement in its public inspection file and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

23. ***Setoff.*** Service Provider shall have the right to setoff any amount due hereunder by Station Licensee to Service Provider that is not paid to Service Provider within fifteen (15) days that such payment is due against any amounts previously owed, currently owed, or to be owed at any time in the future by Service Provider or any of its affiliates to Station Licensee or any of its affiliates under this Agreement or any other agreement to which Station Licensee and Service Provider or any of their affiliates are parties.

24. ***Press Release.*** Section 9.16 of the JSA is hereby incorporated by reference and made a part hereof.

25. ***Further Assurances.*** The parties hereto shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

26. ***Counterparts and Facsimile Signatures.*** This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument. This Agreement shall be legally binding and effective upon delivery of facsimile signatures.

27. ***Captions.*** The captions used in this Agreement are for convenience of reference only, do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.

28. ***Other Definitional Provisions.*** The terms "hereof," "herein" and "hereunder" and terms of similar import will refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references contained in this Agreement are references to Sections in this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the term "including" is used in this Agreement (whether or not that term is followed by the phrase "but not limited to" or "without limitation" or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

(Signatures on the following pages)

IN WITNESS WHEREOF the parties have executed this Shared Services Agreement as of the date first written above.

Station Licensee:

Reno (KARNV-TV), Inc.

By: _____

Name: _____

Title: _____

Reno (KARNV-TV) Licensee, Inc.

By: _____

Name: _____

Title: _____

Reno (KENV-TV) Licensee, Inc.

By: _____

Name: _____

Title: _____

Service Provider:

Sinclair Television Group, Inc.

By: _____

Name: _____

Title: _____

SCHEDULE A SERVICES FEES

For each calendar month during the Term, Station Licensee shall pay, or shall cause to be paid, to Service Provider the Services Fee, consisting of sum of the Base SSA Amount and a performance bonus (the "**Performance Bonus**"), if any. The Performance Bonus, if any, shall be determined as set forth in this Schedule A.

1. **Definitions.** The "**Base SSA Amount**" shall be an amount equal to \$364,000 per month for the initial period of twelve months following the Commencement Date. The Base SSA Amount shall increase by an amount of one and one half percent (1.5%) beginning the thirteenth month following the Commencement Date, and each subsequent twelve month anniversary of the Commencement Date.

2. **Determination of Performance Bonus.** To the degree that Station Licensee determines in good faith and in its sole discretion that the performance of Service Provider has contributed to an increase in the performance of the Station, Service Provider shall be eligible to receive a Performance Bonus with respect to the applicable month, which, if any, shall be in an amount determined by Station Licensee to reflect the value of the services provided by Service Provider relative to the performance of the Station for such month, which determination shall be in the sole and absolute discretion of Station Licensee.

3. **Administration and Payment of Services Fee.** No later than the fifteenth (15th) day of each calendar month during the Term, Service Provider shall deliver to Station Licensee a statement (the "**Monthly Statement**") setting forth the total aggregate amount of Net Sales Revenue (as such term is defined in the JSA) for the preceding calendar month. Except as the parties may otherwise agree, the Services Fee shall be due and payable within five (5) business days of receipt by Station Licensee of such Monthly Statement and shall be subject to prior delivery and payment of the Licensee Revenue Share (as defined in the JSA) for such month. Solely in the event that Station Licensee shall determine, in its sole discretion, in accordance with Section 2 above of this *Schedule A*, that a Performance Bonus shall be payable in respect of a given month, Station Licensee shall notify Service Provider of such determination and the amount, if any, of such Performance Bonus and, in such event, the Monthly Statement shall be adjusted to reflect such Performance Bonus, which shall be payable (y) to the extent reasonably practicable with the Services Fee or (z) at such other time as Station Licensee shall reasonably determine. In order to promote the administration of the payment obligations between the parties under this Agreement and the JSA (individually and collectively, the "**Principal Agreements**"), the parties agree that (a) the amounts due and payable by one party under any of the Principal Agreements may be offset against any outstanding payment obligation by the other party under any of the Principal Agreements; and (b) to the extent reasonably practicable, Service Provider shall deliver to Station Licensee in connection with the payment of the Services Fee a single statement reflecting the respective payment obligations of the parties under each of the Principal Agreements, which statement shall reflect any offsetting amounts. Notwithstanding anything to the contrary contained in this Agreement all payments payable to, or otherwise permitted to be retained by the Service Provider, shall be subordinate in right of payment to the obligations owed

by the Station Licensee and its affiliates in connection with any Acquisition Financing Arrangement (as such term is defined in the JSA).

EXHIBIT 5 LEASE TERMS

Pursuant to the terms and subject to the conditions of this Agreement, Service Provider shall provide Station Licensee with office space, equipment, and furnishings in the tower, studio and business facilities of the Service Station (the "*Service Provider Premises*") as follows:

1. Lease; Rent.

1.1 During the Term, Service Provider shall provide to Station Licensee's employees and agents the non-exclusive right, in common with Service Provider, to access and use of space and facilities in the applicable Service Provider Premises, including (a) accommodation of Station Licensee's studio transmitter links from time to time, and (b) (i) furnishings and office equipment for a main studio for the Station and (ii) sufficient space to permit Station Licensee to maintain and make available to the public the Station's public inspection file and otherwise satisfy the applicable "main studio" requirements under the FCC Rules at such locations in or near the Service Provider Premises, the grant of such rights as may be mutually acceptable to Service Provider and Station Licensee and in accordance with the FCC Rules, so long as the provision of such space and the use of such equipment do not unreasonably interfere with the conduct of Service Provider's business or operations. Station Licensee acknowledges and agrees that (y) it inspected and accepts the Service Provider Premises in their "as is" condition, without any representations or warranties by Service Provider, or anyone acting or purporting to act on behalf of Service Provider, as to the present or future condition of such Service Provider Premises, except as specifically set forth in this Agreement; and (z) Service Provider shall have no obligation to perform any work therein, except as specifically set forth in this Agreement.

1.2 During the Term, Station Licensee shall pay Service Provider a monthly rent on first of the month beginning the month following the date of this Agreement of \$55,250. During the first one hundred twenty months of the Term, the rent payments under this section shall not be included in the "Designated Expenses" or "Other Expenses" as defined in the JSA.

2. During the Term, Service Provider shall give Station Licensee and its agents a nonexclusive and unrestricted right of access, in common with Service Provider, to the space provided for Station Licensee at the Service Provider Premises under Section 1 of this Exhibit 5 at all times, subject only to Service Provider's reasonable security procedures and rules applicable to its own employees, as the Station Licensee reasonably requires for the conduct of the business of the Station and to fulfill its obligations as an FCC licensee. Station Licensee shall not use the Service Provider Premises for any other purposes without the prior written consent of Service Provider. Station Licensee shall use and occupy the Service Provider Premises in compliance with all Applicable Laws, ordinances, requirements and regulations of any applicable governmental authority and in accordance with all superior leases, mortgages, deeds of trust and encumbrances of record. The rights granted under this section shall include the incidental benefit and reasonable right of use of utilities (heat, water, electricity) provided for purposes of Service Provider's own operations. In addition, Service Provider shall provide separate and, to the extent reasonably practicable, lockable office facilities for use by Station Employees and, subject to Service Provider's reasonable prior approval, shall permit Station

Licensee to install appropriate signs on the inside and outside of the Service Provider Premises (consistent with applicable local requirements governing such signage, if any, and the overall appearance of the Service Provider Premises) identifying Station Licensee as the licensee of the Station. No alterations or additions may be made to the Service Provider Premises without the prior written consent of Service Provider, in its sole and absolute discretion, except as otherwise permitted under the Agreement.

3. Station Licensee shall be given a transition period ("***Transition-Tail Period***") of one hundred eighty (180) days following the expiration or notice of termination of this Agreement in which to relocate the operations of the main studio of the Station and shall surrender the Service Provider Premises at such time in substantially the same condition as Station Licensee received such Service Provider Premises upon commencement of the Initial Term (including removing all signage installed by Station Licensee), subject only to reasonable wear and tear. All costs incurred by Station Licensee with respect to relocating the operations of the main studio of the Station following such termination shall be paid by Station Licensee. During such Transition-Tail Period, Station Licensee shall have access to the Service Provider Premises in the same manner as during the Term. Such Transition-Tail Period may be lengthened upon such terms and conditions as may be mutually agreeable to the parties in writing. If Station Licensee holds over beyond the expiration of the Transition-Tail Period, then, in addition to all other rights and remedies of Service Provider provided by Applicable Law or by the terms of this Agreement, Station Licensee shall pay to Service Provider an amount equal to the Services Fee last payable by Station Licensee under this Agreement prior to termination of this Agreement, pro rated as a monthly amount, for each month or partial month of such holdover; provided, that, in such event, at any time, Service Provider, without waiving any other remedy that it may have, may use legal process to enter upon, take possession of the Service Provider Premises and expel or remove Station Licensee and any other person in occupancy thereof from the Studio Facility. Nothing contained in this Agreement shall be deemed a consent by Service Provider to the holding over by Station Licensee, nor a waiver of any other remedy which may be available to Service Provider. The obligations of Station Licensee under this Section 3 shall survive the termination of this Agreement.

4. Station Licensee shall not assign its rights under this Exhibit 5 or sublet or permit the occupancy or use of Service Provider Premises by any Person or entity other than Station Licensee, except as otherwise permitted under this Agreement.

5. Upon the failure by Station Licensee to make any payments set forth in this Exhibit 5 within fifteen (15) days that such payment is due and upon written notice of nonpayment from Service Provider, Service Provider may at any time after such notice, at its option, declare a default and accelerate the prior and remaining amount due to Service Provider hereunder and such amount shall be due and payable immediately by Station Licensee to Service Provider.

6. Without the necessity of any additional document being executed by Station Licensee for the purpose of effecting a subordination, this Agreement shall be subject and subordinate at all times to ground or underlying leases and to the lien of any mortgages or deeds of trust now or hereafter placed on, against or affecting the Service Provider Premises, Station

Licensee's interest or estate in the Service Provider Premises, or any ground or underlying lease; provided, that if the lessor, mortgagee, trustee, or holder of any such mortgage or deed of trust elects to have Station Licensee's interest in this Agreement be superior to any such instrument, then, by notice to Station Licensee, this Agreement shall be deemed superior, whether this Agreement was executed before or after said instrument. Notwithstanding the foregoing, Station Licensee covenants and agrees to execute and deliver within ten (10) days of delivery of Service Provider's request such further instruments evidencing such subordination or superiority of this Agreement as may be required by Service Provider. Within ten (10) days following delivery of any written request which Service Provider may make from time to time, Station Licensee shall execute and deliver to Service Provider or mortgagee or prospective mortgagee a sworn statement certifying such matters as may be requested by Service Provider.

7. With respect to any Service Provider Premises that are subject to a lease agreement with a third party, Station Licensee's rights under this Exhibit 5 shall automatically terminate upon the termination for any reason (including by reason of casualty or condemnation) of any superior lease for the Service Provider Premises. Station Licensee shall occupy the Service Provider Premises in compliance with any superior lease. Station Licensee shall have no rights under the superior lease for the Service Provider Premises, including any assignment or subletting, extension, renewal, first offer or purchase rights. Service Provider shall not be responsible for the failure of lessor or other counterparty to the superior lease for the Service Provider Premises to provide any services or utilities or access to the Service Provider Premises; provided, that to the extent of any failure of services, utilities or access, Service Provider shall use reasonable efforts to obtain such services, utilities or access from its landlord.

SHARED SERVICES AGREEMENT

THIS SHARED SERVICES AGREEMENT (this “**Agreement**”) is entered into as of December 27, 2013, by and between Local TV Virginia License, LLC (“**Station Licensee**”), a Delaware limited liability company (“**Station Licensee**”) and Tribune Broadcasting Company II, LLC, a Delaware limited liability company (“**Service Provider**”).

W I T N E S S E T H:

WHEREAS, pursuant to that certain Asset Purchase Agreement (“**APA**”) dated July 15, 2013, by and among Tribune Company, a Delaware corporation (“**Tribune**”), Dreamcatcher Broadcasting LLC, a Delaware limited liability company (“**Station Parent**”), and Oak Hill Capital Partners II, L.P., a Delaware limited partnership, Station Parent obtained from Tribune Tribune’s right and obligation to acquire Station Licensee from Station Licensee’s parent company, Local TV Holdings LLC (“**Local TV**”);

WHEREAS, Station Licensee is the licensee of television broadcast stations WTKR(TV), Norfolk, Virginia (FCC Facility ID No. 47401) and WGNT(TV), Portsmouth, Virginia (FCC Facility ID No. 9762) (together, the “**Station**”);

WHEREAS, as of the date of this Agreement, the transfer of control of Station Licensee from Local TV Holdings LLC to Station Parent has been consummated;

WHEREAS, it is the parties’ expectation that Service Provider, with its experience and operating infrastructure, is capable of providing services to Station Licensee which will permit Station to maintain or improve the overall efficiency of the its operating processes and reduce costs, thereby helping the Station to serve the television viewing public in the Market; and

WHEREAS, in view of the desire of the parties to obtain important efficiencies through shared services provided by Service Provider, and the role such services are likely to provide in the efficient promotion of the business development of the Station, the parties hereto desire to enter into this Agreement;

NOW, THEREFORE, in consideration of the above recitals and of the mutual agreements and covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be bound legally, agree as follows:

1. ***Defined Terms.***

1.1 For purposes of this Agreement:

“**Affiliate**” means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, without limitation, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of

directors (or comparable governing body) of such Person, or (B) owns a majority of the beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

“Applicable Law” means any of the Communications Act, the FCC Rules, and all other federal, state and local constitutions, laws, statutes, codes, rules, regulations, ordinances, judgments, orders, decrees and the like of any governmental entity, including common law, applicable to the Station and its operations.

“Commencement Date” means the date of this Agreement.

“Dreamcatcher Credit Agreement” means that certain Credit Agreement, dated as of December 27, 2013, among Station Licensee, JPMorgan Chase Bank, N.A., and the other lenders party thereto.

“Dreamcatcher Lenders” means the “Secured Parties” as defined in the Dreamcatcher Credit Agreement.

“FCC” means the Federal Communications Commission or any successor agency thereto.

“FCC Rules” means the rules and published policies of the FCC as in effect from time to time.

“Market” means the Nielsen Designated Market Area of the Station.

“MVPD” means cable television systems, direct-broadcast-satellite systems, local exchange carriers, and all other multichannel video programming distributors that distribute the signals of a television broadcast station.

“Person” includes, without limitation, natural persons, corporations, business trusts, associations, limited liability companies, joint ventures, and partnerships.

“Third Party Claim” means any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding, or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement.

“Transaction Documents” means this Agreement and the other documents, agreements and instruments executed by the parties hereto and thereto in connection therewith.

“Tribune Credit Agreement” means that certain Credit Agreement, dated as of December 27, 2013, among Tribune Company, JPMorgan Chase Bank, N.A., and the other lenders party thereto.

“Tribune Lenders” means the “Secured Parties” as defined in the Tribune Credit Agreement.

1.2 In addition to the defined terms in the preamble, recitals and Section 1(a) hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<u>Term</u>	<u>Section</u>
Base SSA Amount	Schedule A
Broadcast Material	Section 6.6
Communications Act	Section 2
Defense Counsel	Section 15(c)(i)
Defense Notice	Section 15(c)(i)
Delivered Programming	Section 6.5
Direct Claim	Section 15(c)(v)
Indemnified Party	Section 15(c)(i)
Indemnifying Party	Section 15(c)(i)
Initial Term	Section 9.1
Loss	Section 15(a)
Lease Terms	Section 5
Performance Bonus	Schedule A
Policy Statement	Section 6.6
Service Provider Indemnified Party	Section 15(b)
Service Provider Premises	Exhibit 4
Services Fee	Section 7
Station Indemnified Party	Section 15(a)
Term	Section 9.2
Transition-Tail Period	Exhibit 4

2. ***General Principles Governing Sharing Arrangements.*** All sharing arrangements contemplated by this Agreement will be subject to, and are intended to comply in all respects with, the Communications Act of 1934, as amended (the “***Communications Act***”), the FCC Rules and all other Applicable Law. The arrangements made pursuant to this Agreement will not be deemed to constitute “joint sales,” “program services,” “time brokerage,” “local marketing,” or similar arrangements, or a partnership, joint venture, or agency relationship between the parties, and no such arrangement will be deemed to give Service Provider any right to control the policies, operations, management or any other matter relating to the Station.

3. ***Certain Services Not to be Shared.***

3.1 ***Senior Management Personnel.*** Station Licensee shall maintain for the Station sufficient personnel to comply with its obligations as a broadcast licensee under the FCC’s rules. Such personnel shall (a) include not less than one managerial employee, (b) be retained solely by, and report solely to, Station Licensee or its Affiliate, and (c) have no involvement in or responsibility with respect to the business and operation of Service Provider’s broadcast stations or other media properties.

3.2. ***Control.*** Notwithstanding anything to the contrary in this Agreement, the parties hereto acknowledge and agree that during the Term, Station Licensee will maintain ultimate control and authority over the Station, including, specifically, control and authority over

the Station's operations, finances, personnel and programming. To that end, Station Licensee shall (a) have exclusive authority for the negotiation, preparation, execution and implementation of any and all programming agreements for the Station, and (b) retain and hire or utilize whatever employees Station Licensee reasonably deems appropriate or necessary to fulfill those programming functions. Without limiting the generality of the foregoing, Station Licensee shall employ at least two full-time employees (and no fewer than the number required to comply with Applicable Law) in connection with the business and management of the Station, one of whom shall be a management-level employee. Service Provider shall not represent, warrant or hold itself out as the licensee of the Station.

3.3. *No Joint Advertising Sales.* Station Licensee shall conduct and manage all advertising sales for the Station.

4. ***Licensee's Retained Authority Concerning Station Carriage by MVPDs.***

4.1 Station Licensee shall retain the authority (a) to make elections for must-carry or retransmission consent status, as permitted under the FCC Rules, and (b) to negotiate, execute, and deliver retransmission consent agreements with MVPDs for which Station Licensee has provided timely notice of its election of retransmission consent.

4.2 Subject to the foregoing, Station Licensee agrees to take all commercially reasonable steps in a timely manner to assert, enforce, defend, and preserve the rights of the Station to carriage of the Station's signals by MVPDs that may exist under Applicable Law as necessary to ensure that the Station has valid and enforceable arrangements with all material MVPDs in the Market.

5. ***Premises and Facilities.*** Upon the Commencement Date and during the Term, Service Provider shall make available to Station Licensee (a) such premises and facilities as may be reasonably necessary (i) to conduct broadcast operations from such location and establish the main studio of the Station at such location and (ii) for the employees of Station Licensee at the Station to conduct the applicable business and operations of the Station; provided, that all such access and use shall be pursuant to the terms and subject to the conditions set forth in *Exhibit 4* attached hereto (the "***Lease Terms***") and (b) the use of, certain tangible personal property with respect to the Station sufficient to ensure and enable Station Licensee to conduct broadcast operations of the Station consistent with, and pursuant to, the FCC Rules and the Communications Act.

6. ***Shared Services.*** Subject to Station Licensee's ultimate supervision and control, Service Provider agrees to provide to Station Licensee the following services to support the operation of the Station; provided, however, that such supervision and control shall not be deemed to permit Station Licensee to expand in any material respect the obligations of Service Provider or to require Service Provider to incur any material additional obligation or liability hereunder:

6.1 ***Technical Services.***

(a) Commencing on the Commencement Date, Service Provider shall perform monitoring and maintenance of the Station's technical equipment and facilities and,

upon the request of Station Licensee, shall assist Station Licensee with the installation, repair, maintenance and replacement of the Station's equipment and facilities; provided, however, that Station Licensee shall be responsible for all capital and equipment replacement expenditures, except for those relating to equipment and other tangible personal property being provided to Station Licensee pursuant to the terms of Section 5 hereof.

(b) Commencing on the Commencement Date, Service Provider shall make available to Station Licensee, on an independent contractor basis, a staff engineer employed by Service Provider to assist the chief operator for the Station in fulfilling its duties as specified by the FCC Rules.

6.2 *Promotional and Other Services.* Service Provider shall be responsible for the promotion of the Station; provided, however, that Station Licensee shall have the right to supplement the promotional efforts undertaken by Service Provider, but shall coordinate such efforts with Service Provider to maintain image consistency with Service Provider's promotional efforts. Service Provider shall (a) maintain and operate a website associated with the Station and (b) provide, maintain and operate such mobile applications and other forms of promotional services and activities using new technology as Service Provider shall deem appropriate under the circumstances.

6.3 *Back-Office and Related Support Services.* Service Provider shall provide reasonable and customary back-office support services with respect to the business of the Station, including with respect to payroll.

6.4 *Assistance with Distribution Matters.* Subject to Section 4 above and to the provisions of applicable network affiliation or other programming agreements, Station Licensee shall consult and cooperate with Service Provider in the negotiation, maintenance and enforcement of retransmission consent and related agreements with MVPDs. Upon Station Licensee's request and subject to Station Licensee's authorization, and the ultimate approval, execution, and delivery of any retransmission consent or other distribution agreement by Station Licensee in its sole discretion, Service Provider shall act as Station Licensee's agent with respect to the negotiation of any such retransmission consent or other distribution agreements.

6.5 *Delivered Programming.* Commencing on the Commencement Date, Service Provider shall have the right to provide to the Station Licensee for broadcast, simulcast or rebroadcast on the Station local news and other programming as described more particularly in Schedule 6.5 hereof (the "**Delivered Programming**"), which Delivered Programming shall be less than twenty-five (25) hours per week and less than fifteen percent (15%) of the Station's broadcast hours for any week. Service Provider shall be responsible for obtaining the rights to broadcast the Delivered Programming on the Station and for paying all costs incurred in obtaining such rights. To the extent permission is required to rebroadcast any Delivered Programming under Section 325 of the Communications Act, Service Provider hereby grants Station Licensee such permission. The Delivered Programming shall be subject to Service Provider's editorial judgment and the requirements of Section 3.2, including but not limited to the right of rejection or preemption of Station Licensee. All Delivered Programming shall be in conformity in all material respects with standards established by Station Licensee and consistent with similar programming broadcast on Service Provider's own television broadcast stations and

shall otherwise conform to all Applicable Law, including the Communications Act, the FCC Rules and the intellectual property rights of third parties.

6.6. *Content Policies.* All material furnished by Service Provider for broadcast on the Station, including all Delivered Programming and Advertisements (collectively, “**Broadcast Material**”) shall comply with applicable federal, state and local regulations and policies, including commercial limits in children’s programming. Station Licensee shall have the right to preempt any Broadcast Material to present program material of greater local or national importance. Station Licensee may reject any Broadcast Material if it reasonably determines that the broadcast of such material would violate Applicable Law or would otherwise be contrary to the public interest. Station Licensee shall promptly notify Service Provider of any such rejection, preemption, or rescheduling and shall cooperate with Service Provider in efforts to fulfill commitments to advertisers and syndicators. *Schedule 6.6* sets forth Station Licensee’s statement of policy (the “**Policy Statement**”) with regard to the Broadcast Material. Service Provider shall ensure that the Broadcast Materials are in compliance with the terms of this Agreement and the Policy Statement.

7. *Services Fee.* In consideration for the services to be provided to Station Licensee by Service Provider pursuant to this Agreement, Station Licensee shall pay to Service Provider with respect to each calendar month during the term of this Agreement the amount set forth in *Schedule A* hereto (the “**Services Fee**”). The Services Fee will be payable monthly, in arrears and will be prorated on a daily basis for the first and last months during which this Agreement is in effect.

8. *Service Provider Costs.* Service Provider shall be solely responsible for the salaries, taxes and related costs for all personnel employed by Service Provider who are used by Service Provider in the performance of Service Provider’s obligations hereunder, including, without limitation, any publicity or promotional expenses incurred in performing its obligations hereunder.

9. *Term of Agreement.*

9.1 *Initial Term.* The initial term of this Agreement shall commence on the Commencement Date and such initial term (the “**Initial Term**”) shall end on the date that is the eighth (8th) anniversary of the Commencement Date, unless sooner terminated in accordance with Section 12 below.

9.2 *Renewal Term.* This Agreement shall be renewed automatically for successive one-year renewal terms (the Initial Term and any such renewal term hereinafter referred to as the “**Term**”) unless either party provides the other party with written notice of non-renewal at least one-hundred-eighty (180) days prior to the expiration of the then-current Term.

10. *Representations and Warranties of Station Licensee.* Station Licensee represents and warrants to Service Provider as follows:

10.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Station Licensee have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and

delivered by Station Licensee and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization, or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

10.2 *Absence of Conflicting Agreements or Consents.* The execution, delivery, and performance by Station Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizational documents of Station Licensee; (b) to the actual knowledge of Station Licensee or its respective Affiliates, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Station Licensee; and (c) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station owned by Station Licensee other than as set forth on Schedule 10.2(d).

11. ***Representations and Warranties of Service Provider.*** Service Provider represents and warrants to Station Licensee as follows:

11.1 *Authorization and Binding Obligation.* The execution, delivery, and performance of this Agreement by Service Provider have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and delivered by Service Provider and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

11.2 *Absence of Conflicting Agreements and Required Consents.* The execution, delivery, and performance by Service Provider of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizing documents of Service Provider; (b) to the actual knowledge of Service Provider or its Affiliates, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Service Provider; and (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any material agreement, instrument, license or permit to which Service Provider is a party or by which it is bound as of the date hereof.

12. ***Insurance.*** Station Licensee shall maintain in effect policies of insurance insuring the assets and the business of the Station in accordance with good industry practices.

13. ***Termination.***

This Agreement may be terminated prior to the expiration of the Term as follows:

13.1 By either Station Licensee or Service Provider, by written notice to the other party, if, subject to Section 17, this Agreement shall have been declared invalid or illegal in whole or in material part by an order or a decree of the FCC or any other administrative agency or court of competent jurisdiction, and such order or decree shall have become final and shall no longer be subject to further administrative review;

13.2 By Service Provider if Station Licensee or its Affiliate is no longer the licensee of the Station;

13.3 Automatically, immediately following the Option Closing (as such term is defined in the Option Agreement) under the Option Agreement;

13.4 By the mutual consent of Station Licensee and Service Provider;

13.5 By Station Licensee, by written notice to Service Provider if Service Provider fails to observe or perform any material obligation contained in this Agreement in any material respect or breaches any material representation, warranty or covenant made by it under this Agreement in any material respect, unless such failure results from the failure of Station Licensee to perform its obligations under this Agreement; or

13.6 By Service Provider, by written notice to Station Licensee if Station Licensee fails to observe or perform any material obligation contained in this Agreement in any material respect or breaches any material representation, warranty or covenant made by it under this Agreement in any material respect, unless such failure results from the failure by Service Provider to perform its obligations under this Agreement;

13.7 Notwithstanding the foregoing, (i) any breach or default under the foregoing will not be deemed to have occurred until 30 calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the event of default and such event of default remains uncured. Upon the occurrence of an event of default, and in the absence of a timely cure pursuant to this Section 13, the non-defaulting party may terminate this Agreement pursuant to this Section 13, effective 60 days (or such longer period as the terminating party may specify without extending the term as specified in Section 9) after written notice to the defaulting party.

14. ***Certain Matters Upon Termination.***

14.1 Continuing Obligations. No expiration or termination of this Agreement shall terminate the indemnification obligations of Service Provider or Station Licensee hereunder, relieve a party of any obligation or liability for breach or default prior to termination, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination.

14.2 Cooperation. If this Agreement is terminated pursuant to Section 13, the parties shall cooperate with each other as may be reasonably requested to effect an allocation of the revenues and expenses for any partial calendar month resulting from such termination or to effect any working capital payment required in connection with such.

15. ***Indemnification.***

(a) *By Service Provider.* Service Provider shall indemnify, defend and hold harmless Station Licensee and its employees, directors, members, managers, officers, or agents, or any of their Affiliates, successors or assignees (exclusive of Service Provider and its Affiliates and agents) (each, a “***Station Indemnified Party***”), from and against, and reimburse and pay to such Station Indemnified Party as incurred, any loss, liability, damage or expense (including reasonable legal expenses and costs and any cost or expense arising from or incurred in connection with any action, suit, proceeding, claim or judgment) relating to any matter described in this section, or in enforcing the indemnity provided by this section (any such amount, a “***Loss***”), which any such Station Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(i) any act or omission, event or occurrence that was or shall be caused by Service Provider, its agents or Affiliates (including any predecessor in interest thereto) relating to the business and operations of Service Provider or the performance of its obligations hereunder; or

(ii) any omission or breach by Service Provider (including any predecessor in interest to Service Provider) of any of its obligations hereunder.

The obligations of Service Provider under this Section 15(a) shall survive any termination or expiration of this Agreement. Notwithstanding anything to the contrary contained herein, in no event shall Service Provider be liable under this Section 15(a) for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with Applicable Law.

(b) *By Station Licensee.* Except with respect to or to the extent of any Loss subject to indemnification pursuant to the terms and subject to the conditions of Section 15(a), Station Licensee shall indemnify, defend and hold harmless Service Provider and any employee, director, member, manager, officer, stockholder or agent of Service Provider, or any of its Affiliates, successors or assignees (each, a “***Service Provider Indemnified Party***”) from and against, and reimburse and pay to such Service Provider Indemnified Party, as incurred, any Loss, which any such Service Provider Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of the actions or omissions of any of the respective employees, agents and representatives of Station Licensee in performing their duties under this Agreement or in acting outside the scope of their employment, which actions or omission constitute willful misconduct or gross negligence.

The payment of any indemnification obligation by Station Licensee under this Agreement shall in no event be due until and solely in the event of an Option Closing (as defined in the Option Agreement) under the Option Agreement and in connection with such Option Closing the

amount of indemnification shall be applied as a credit against the payment obligations of the Option Holder (as defined in the Option Agreement) thereunder.

(c) *Procedure.*

(i) If any Person entitled to indemnification under this Agreement (an “**Indemnified Party**”) asserts a claim for indemnification for or receives notice of the assertion or commencement of any Third Party Claim as to which such Indemnified Party intends to seek indemnification under this Agreement, such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an “**Indemnifying Party**”), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the “**Defense Notice**”) within 15 days after receipt from the Indemnified Party of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party (which notice shall specify the counsel the Indemnifying Party will appoint to defend such claim (“**Defense Counsel**”); *provided, however*, that the Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party.

(ii) If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at its own expense, in the defense of such Third Party Claim; *provided, however*, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if (i) so requested by the Indemnifying Party or (ii) in the reasonable opinion of counsel to the Indemnified Party, a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation advisable; and *provided, further*, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.

(iii) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will be liable for all Losses paid or incurred in connection therewith and the Indemnifying Party shall have no

obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Agreement), in which case the consent of the Indemnified Party shall not be required.

(iv) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(v) It is the intent of the parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this Section 15(c). Any claim under this Section 15(c) by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a “**Direct Claim**”) will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of twenty (20) days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20-day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 15(c), including litigation.

(vi) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 15(c) shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(vii) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Losses (in which case such proceeds shall reduce such Losses). To the extent any Losses of an Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Losses and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Losses. The indemnification obligations hereunder shall survive any termination of this Agreement.

(d) *Exclusivity.* After the Base Date, the indemnification provided by this Section 15 shall be the sole and exclusive remedy of Station Licensee and Service Provider against the other party for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Agreement; *provided*, that this Section 15(d) shall not prohibit (i) injunctive relief (including specific performance) pursuant to Section 22 if available under Applicable Law or (ii) any other remedy available at law or in equity for any fraud committed in connection with this Agreement.

16. *Force Majeure.* Any delay or interruption in the performance of a party's obligations, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action or applicable law, riots, natural disasters or any other cause not reasonably within the control of such party shall not constitute a breach of this Agreement, and no party shall be liable to any other party for any liability or obligation with respect thereto.

17. *Change in FCC Rules or Policies; Severability.* In the event that the FCC determines that this Agreement does not comply with the Communications Laws, the parties shall negotiate in good faith and attempt to agree to an amendment to this Agreement that will provide the parties with a valid and enforceable agreement that conforms to the Communications Laws and preserves in all material respects the parties' rights, benefits and obligations under this Agreement. In the event that any of the provisions of this Agreement shall be held unenforceable, then so long as no party is deprived of the benefits of this Agreement in any material respect, the remaining provisions shall be construed as if such unenforceable provisions were not contained herein. Any provision of this Agreement that is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof, and any such unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. To the extent permitted by applicable law, the parties hereto hereby waive any provision of law now or hereafter in effect that renders any provision hereof unenforceable in any respect.

18. *Notices.* All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as set forth on *Schedule B* hereto.

19. *Assignment; Binding Agreement.* Neither party may assign this Agreement or delegate its obligations under this Agreement without the prior written consent of the other, except as otherwise permitted in this Section 19; provided, however, that (i) Service Provider shall be deemed to have consented to Station Licensee's assignment of the Agreement to the Dreamcatcher Lenders or their designee pursuant to the Dreamcatcher Lenders' exercise of their rights in respect of the Dreamcatcher Credit Agreement following the occurrence of an event of default thereunder, and (ii) Station Licensee shall be deemed to have consented to Service Provider's assignment of the Agreement to the Tribune Lenders or their designee pursuant to the Tribune Lenders' exercise of their rights in respect of the Tribune Credit Agreement following the occurrence of an event of default thereunder. Upon any assignment of this Agreement by Station Licensee, Station Licensee shall pay, or shall cause to be paid, all amounts accrued and

owing to Service Provider as of the consummation date of such assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. Any permitted assignee of any party hereto shall be a "party" to this Agreement for all purposes hereof.

20. ***Entire Agreement; Amendment; Waiver.*** This Agreement and the exhibits and schedules hereto and thereto, embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No term or provision hereof may be changed, modified, amended, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by the parties hereto. No waiver of any of the provisions or conditions of this Agreement or of any of the rights, powers or privileges of a party shall be effective or binding unless in writing and signed by the party claimed to have given or consented to such waiver.

21. ***Governing Law; Waiver of Jury Trial.*** The construction and performance of this Agreement shall be governed by, and construed in accordance with, the law of the State of Delaware without regard to its principles of conflict of law. The exclusive forum for the resolution of any disputes arising under this Agreement shall be the state or federal courts located in Delaware, and each party hereto irrevocably submits to the exclusive jurisdiction of such courts in any such action or proceeding and irrevocably waives the defense of an inconvenient forum to the maintenance of any such action or proceeding. Each party agrees not to bring any action or proceeding arising out of or relating to this Agreement in any other court. EACH PARTY HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

22. ***Specific Performance.*** The parties hereby agree that the services to be provided hereunder are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, to the extent permitted by the Communications Act and the FCC Rules then in effect, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

23. ***Confidentiality.*** Each party hereto agrees that it will not at any time during or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other parties hereto. To the extent required by the Communications Act or the FCC Rules, each party shall place a copy of this Agreement in its public inspection file and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

24. ***Press Release.*** No party hereto shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated by this Agreement without the prior written consent of the other party hereto; *provided, however*, that nothing contained herein shall prevent any party from promptly making all filings with governmental authorities as may, in its judgment, be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

25. ***No Partnership or Joint Venture.*** This Agreement is not intended to be and shall not be construed as a partnership or joint venture agreement between the parties.

26. ***Further Assurances.*** The parties hereto shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

27. ***Counterparts and Facsimile Signatures.*** This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which taken together will constitute one and the same instrument. This Agreement shall be legally binding and effective upon delivery of facsimile signatures.

28. ***Captions.*** The captions used in this Agreement are for convenience of reference only, do not constitute a part of this Agreement and will not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement will be enforced and construed as if no caption had been used in this Agreement.

29. ***Other Definitional Provisions.*** The terms “hereof,” “herein” and “hereunder” and terms of similar import will refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references contained in this Agreement are references to Sections in this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the term “including” is used in this Agreement (whether or not that term is followed by the phrase “but not limited to” or “without limitation” or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

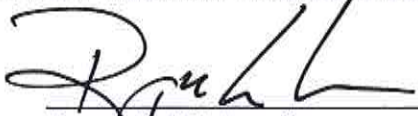
30. ***Other Agreements.*** No action taken by Station Licensee or Service Provider shall be deemed to be a breach by such party of its obligations under this Agreement, or give rise to any right of indemnification under this Agreement, if such action is taken pursuant to the APA or the Securities Purchase Agreement referenced in Section 10.2 of this Agreement, or at the request or with the agreement or consent of the other party or, in the case of Station Licensee, if it arises out of services performed or required to be performed by Service Provider under this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the parties have executed this Shared Services Agreement as of the date first written above.

STATION LICENSEE:

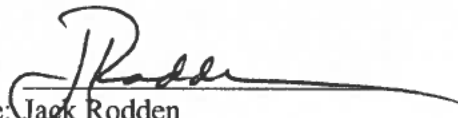
LOCAL TV VIRGINIA LICENSE, LLC

By: 

Name: Royce E. Wislon, Sr.

Title: President

SERVICE PROVIDER:
TRIBUNE BROADCASTING COMPANY II, LLC

By: 
Name: Jack Rodden
Title: Assistant Treasurer

SCHEDULE A SERVICES FEES

For each calendar month during the Term, Station Licensee shall pay, or shall cause to be paid, to Service Provider the Services Fee, consisting of sum of the Base SSA Amount and a performance bonus (the “**Performance Bonus**”), if any. The Performance Bonus, if any, shall be determined as set forth in this Schedule A.

1. **Base SSA Amount.** Through December 31, 2014, the “**Base SSA Amount**” for any calendar month shall be an amount equal to One Million Six Hundred Eighty Thousand Dollars (\$1,680,000) (or a pro rata portion thereof for any partial month). The amounts specified in the previous sentence shall, on January 1 of each year commencing on January 1, 2015, be increased by 3.0% of the amount in effect for the preceding year. Notwithstanding the foregoing, the Base SSA Amount for any month shall be reduced as necessary to assure that (i) Net Cash Flow from the operation of the Station for such month retained by the Station Licensee, after payment of the Base SSA Amount, for the Stations for such month, is not less than \$6,250 and (ii) the cumulative Net Cash Flow from the operation of the Station for the calendar year through such month retained by the Station Licensee, after payment of the Base SSA Amounts for the Stations for all such months, is not less than the product of (x) \$6,250 times (y) the number of months covered by such calculation.

2. **Determination of Performance Bonus.** To the degree that Station Licensee determines in good faith that the performance of Service Provider has contributed to an increase in the performance of the Station, Service Provider shall be eligible to receive a Performance Bonus with respect to the applicable month, which Performance Bonus, if any, shall be in an amount determined by Station Licensee to reflect the value of the services provided by Service Provider relative to the performance of the Station for such month, which determination shall be in the sole and absolute discretion of Station Licensee

3. **Payment of Services Fee.** Except as the parties may otherwise agree, the Services Fee shall be due and payable no later than the fifteenth (15) day of each calendar month during the Term.

4. **Net Cash Flow.** For purposes of this agreement, the term “**Net Cash Flow**” means all net sales revenue of the Station less (i) all actual expenses of the Station as determined on an accrual basis of accounting, (ii) all debt service on the acquisition financing for the Station, (iii) all payments for capital expenditures, (iv) all payments for tax liabilities incurred by the Station and (v) all other out of pocket payments and disbursements incurred by the Station Licensee related to the operation of the Station. For administrative purposes, and in conjunction with the Back-Office and Related Support Services provided by the Service Provider pursuant to Section 6.3 of the Shared Service Agreement, Service Provider will maintain all financial books and records necessary to determine the Net Cash Flow on a monthly basis. Further, Service Provider shall deliver to Station Licensee a statement (the “**Monthly Statement**”) setting forth the total aggregate amount of Net Cash Flow for the preceding calendar month.

SCHEDULE B

If to Station Licensee:

Dreamcatcher Broadcasting LLC
2016 Broadway
Santa Monica, CA 90404
Fax:
Attention: Ed Wilson

With a copy (which shall not constitute notice) to:

Jack N. Goodman, Esq.
1200 New Hampshire Ave, NW
Suite 800
Washington, DC 20036-6802
Fax: 202-776-2222

If to Service Provider:

Tribune Broadcasting Company II, LLC
435 North Michigan Avenue
Chicago, IL 60611
Fax: 312-222-4206
Attention: General Counsel

With a copy (which shall not constitute notice) to:

Covington & Burling LLP
1201 Pennsylvania Ave., N.W.
Washington, D.C. 20004-2401
Fax: 202-778-5552
Attention: Mace Rosenstein, Esq.

SCHEDULE 6.5

SCHEDULE OF DELIVERED PROGRAMMING

Commencing on the Commencement Date, Service Provider shall be permitted to provide the Delivered Programming in accordance with the terms and subject to the conditions of this Agreement. Notwithstanding anything herein to the contrary, the obligations of Station Licensee set forth in this Schedule 6.5 shall be subject to Station Licensee's rights under Section 3.2 of this Agreement.

At any time and from time to time following the Commencement Date, Service Provider may designate by written notice to Station Licensee the days and times during which the Delivered Programming shall be broadcast on the Station, and Station Licensee shall commence the broadcast of such Delivered Programming no later than 14 days following its receipt of such notice, so long as (i) the duration of such Delivered Programming, together with the duration of all other Delivered Programming broadcast on the applicable Station, does not exceed 15% of such Station's weekly broadcast schedule and (ii) the broadcast of such Delivered Programming during the days and times specified by Service Provider does not conflict with the contractual obligations of Station Licensee.

At any time and from time to time following the Commencement Date, Service Provider may designate by written notice to Station Licensee alternative and/or additional programming and alternative and/or additional days and times during which the Delivered Programming shall be broadcast on the Station, and Station Licensee shall commence the broadcast of such Delivered Programming no later than 14 days following its receipt of such notice, so long as (i) the duration of such Delivered Programming, together with the duration of all other Delivered Programming broadcast on the applicable Station, does not exceed 15% of such Station's weekly broadcast schedule and (ii) the broadcast of such Delivered Programming during the days and times specified by Service Provider does not conflict with the contractual obligations of Station Licensee.

Subject to Applicable Law concerning the amount of programming that Service Provider may provide to Station Licensee, and at the request of Service Provider, Station Licensee shall cooperate in good faith with Service Provider to agree upon one or more additional time periods during which Service Provider shall be permitted to provide additional Delivered Programming for broadcast on the Station, but in no event shall the aggregate duration of all Delivered Programming, including such additional time periods, exceed the total amount of Delivered Programming as may be permitted by the FCC under then-applicable FCC Rules.

Upon no less than 14 days prior written notice from Service Provider to Station Licensee, Service Provider may change the date and times that the Delivered Programming shall be broadcast on the Station and Station Licensee agrees to broadcast the Delivered Programming in accordance with such revised schedule, so long as (i) the duration of such Delivered Programming, together with the duration of all other Delivered Programming broadcast on the applicable Station, does not exceed 15% of such Station's weekly broadcast schedule and (ii) the broadcast of such Delivered Programming during the days and times specified by Service Provider does not conflict with the contractual obligations of Station Licensee.

SCHEDULE 6.6
POLICY STATEMENT FOR BROADCAST MATERIAL

Service Provider agrees to cooperate with Station Licensee in the broadcasting of programs of high quality and, for this purpose, to observe the following policies in the preparation, writing, production and delivery of Broadcast Material.

CONTROVERSIAL ISSUE. Any discussion of controversial issues of public importance shall be reasonably balanced with the presentation of contrasting viewpoints in the course of overall programming; no attacks on the honesty, integrity, or like personal qualities of any person or group of persons shall be made; and Station programs (other than public forum or talk features) are not to be used as a forum for editorializing about individual candidates. If such events occur, Station Licensee may require that responsive programming be aired.

NO PLUGOLA OR PAYOLA. The mention of any business activity or “plug” for any commercial, professional, or other related endeavor, except where contained in an actual commercial message of a sponsor, is prohibited.

PROGRAMMING PROHIBITIONS. Service Provider shall not knowingly provide to Station Licensee for broadcast by Station Licensee any of the following programs or announcements:

- (a) *False Claims.* False or unwarranted claims for any product or service.
- (b) *Unfair Imitation.* Infringements of another advertiser’s rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.
- (c) *Commercial Disparagement.* Any unlawful disparagement of competitors or competitive goods.
- (d) *Obscenity/Indecency/Profanity.* Any programs or announcements that are obscene or indecent, as those terms are interpreted and applied by the FCC or any programs or announcements that are slanderous, obscene, profane, vulgar, repulsive or offensive, either in theme or treatment.
- (e) *Price Disclosure.* Any price mentions except as permitted by Station Licensee’s policies current at the time.
- (f) *Unauthorized Testimonials.* Any testimonials which cannot be authenticated.
- (g) *Descriptions of Bodily Functions.* Any continuity which describes in a repellent manner internal bodily functions or symptomatic results or internal disturbances, and no reference to matters which are not considered acceptable topics in social groups.
- (h) *Conflict Advertising.* Any advertising matter or announcement which may, in the reasonable opinion of Station Licensee, be injurious or prejudicial to the interest of the public, the Station, or honest advertising and reputable business in general.

(i) *Fraudulent or Misleading Advertisement.* Any advertisement matter, announcement, or claim which Service Provider knows to be fraudulent, misleading, or untrue.

LOTTERIES. Announcements giving any information about lotteries or games prohibited by Applicable Law are prohibited.

RELIGIOUS PROGRAMMING RESTRICTIONS. The subject of religion and references to particular faiths, tenants, and customs shall be treated with respect at all times. Broadcast Material shall not be used as medium for attack on any faith, denomination, or sect or upon any individual or organization.

CREDIT TERMS ADVERTISING. Any advertising of credit terms shall be made over the Station in accordance with Applicable Law.

NO ILLEGAL ANNOUNCEMENTS. No announcements or promotion prohibited by Applicable Law shall be made over the Station. At Station Licensee's request, any game, contest, or promotion relating to or to be presented over the Station must be fully stated and explained in advance to Station Licensee, which reserves the right in its sole discretion to reject any game, contest, or promotion.

LICENSEE DISCRETION PARAMOUNT. In accordance with the responsibilities of Station Licensee under the Communications Act and the FCC Rules, Station Licensee reserves the right to reject or terminate any Broadcast Material proposed to be presented or being presented over the Station which is in conflict with the policy of Station Licensee or which in the reasonable judgment of Station Licensee would not serve the public interest.

PROGRAMMING IN WHICH SERVICE PROVIDER HAS A FINANCIAL INTEREST. Service Provider shall advise Station Licensee with respect to any Broadcast Material concerning goods or services in which Service Provider has a material financial interest. Any announcements for such goods and services for which Service Provider charges less than its regular rate shall clearly identify Service Provider's financial interest.

MISCELLANEOUS.

(a) *Waiver.* To the extent legally permissible, the parties may jointly waive any of the foregoing policies in specific instances if, in their opinion, good broadcasting in the public interest is served.

(b) *Prior Consent.* In any case where questions of policy or interpretation arise, Service Provider will attempt in good faith to submit the same to Station Licensee for decision before making any commitments in connection therewith.

(c) *CALM Act Certification.* Service Provider shall assure that all commercial advertisements embedded in programs provided by Service Provider are, at the point of distribution by Service Provider, in compliance with the loudness control practices contained in Advanced Television Systems Committee (ATSC) A/85 Recommended Practice: Techniques for Establishing and Maintaining Audio Loudness for Digital Television.

(d) *Non-Discrimination.* Station Licensee and its stations do not discriminate in advertising contracts on the basis of race or ethnicity. Any provision in any order or agreement for advertising that purports to discriminate on the basis of race or ethnicity, even if handwritten, typed or otherwise made a part of the particular contract, is hereby rejected.

EXHIBIT 4 LEASE TERMS

Pursuant to the terms and subject to the conditions of this Agreement, Service Provider shall provide Station Licensee with office space, equipment, and furnishings (the “***Service Provider Premises***”) as follows:

1. During the Term, Service Provider shall provide, rent-free, to Station Licensee’s employees and agents the non-exclusive right, in common with Service Provider, to access and use of space and facilities in the applicable Service Provider Premises, including (a) accommodation of Station Licensee’s studio transmitter links from time to time, and (b) (i) furnishings and office equipment for a main studio for the Station and (ii) sufficient space to permit Station Licensee to maintain and make available to the public the Station’s public inspection file and otherwise satisfy the applicable “main studio” requirements under the FCC Rules at such locations in or near the Service Provider Premises, the grant of such rights as may be mutually acceptable to Service Provider and Station Licensee and in accordance with the FCC Rules, so long as the provision of such space and the use of such equipment do not unreasonably interfere with the conduct of Service Provider’s business or operations. Station Licensee acknowledges and agrees that (y) it inspected and accepts the Service Provider Premises in their “as is” condition, without any representations or warranties by Service Provider, or anyone acting or purporting to act on behalf of Service Provider, as to the present or future condition of such Service Provider Premises, except as specifically set forth in this Agreement; and (z) Service Provider shall have no obligation to perform any work therein, except as specifically set forth in this Agreement.

2. During the Term, Service Provider shall give Station Licensee and its agents a nonexclusive and unrestricted right of access, in common with Service Provider, to the space provided for Station Licensee at the Service Provider Premises under Section 1 of this Exhibit 4 at all times, subject only to Service Provider’s reasonable security procedures and rules applicable to its own employees, as the Station Licensee reasonably requires for the conduct of the business of the Station and to fulfill its obligations as an FCC licensee. Station Licensee shall not use the Service Provider Premises for any other purposes without the prior written consent of Service Provider. Station Licensee shall use and occupy the Service Provider Premises in compliance with all Applicable Laws, ordinances, requirements and regulations of any applicable governmental authority and in accordance with all superior leases, mortgages, deeds of trust and encumbrances of record. The rights granted under this section shall include the incidental benefit and reasonable right of use of utilities (heat, water, electricity) provided for purposes of Service Provider’s own operations. In addition, Service Provider shall provide separate and, to the extent reasonably practicable, lockable office facilities for use by Station Employees and, subject to Service Provider’s reasonable prior approval, shall permit Station Licensee to install appropriate signs on the inside and outside of the Service Provider Premises (consistent with applicable local requirements governing such signage, if any, and the overall appearance of the Service Provider Premises) identifying Station Licensee as the licensee of the Station. No alterations or additions may be made to the Service Provider Premises without the prior written consent of Service Provider, in its sole and absolute discretion, except as otherwise permitted under the Agreement.

3. Station Licensee shall be given a transition period (“*Transition-Tail Period*”) of one hundred eighty (180) days following the expiration or notice of termination of this Agreement in which to relocate the operations of the main studio of the Station and shall surrender the Service Provider Premises at such time in substantially the same condition as Station Licensee received such Service Provider Premises upon commencement of the Initial Term (including removing all signage installed by Station Licensee), subject only to reasonable wear and tear. All costs incurred by Station Licensee with respect to relocating the operations of the main studio of the Station following such termination shall be paid by Station Licensee. During such Transition-Tail Period, Station Licensee shall have access to the Service Provider Premises in the same manner as during the Term. Such Transition-Tail Period may be lengthened upon such terms and conditions as may be mutually agreeable to the parties in writing. If Station Licensee holds over beyond the expiration of the Transition-Tail Period, then, in addition to all other rights and remedies of Service Provider provided by Applicable Law or by the terms of this Agreement, Station Licensee shall pay to Service Provider an amount equal to the Services Fee last payable by Station Licensee under this Agreement prior to termination of this Agreement, pro-rated as a monthly amount, for each month or partial month of such holdover; provided, that, in such event, at any time, Service Provider, without waiving any other remedy that it may have, may use legal process to enter upon, take possession of the Service Provider Premises and expel or remove Station Licensee and any other person in occupancy thereof from the Studio Facility. Nothing contained in this Agreement shall be deemed a consent by Service Provider to the holding over by Station Licensee, nor a waiver of any other remedy which may be available to Service Provider. The obligations of Station Licensee under this Section 3 shall survive the termination of this Agreement.

4. Station Licensee shall not assign its rights under this Exhibit 4 or sublet or permit the occupancy or use of Service Provider Premises by any Person or entity other than Station Licensee, except as otherwise permitted under this Agreement.

5. Upon the failure by Station Licensee to make any payments set forth in this Exhibit 4 within fifteen (15) days that such payment is due and upon written notice of nonpayment from Service Provider, Service Provider may at any time after such notice, at its option, declare a default and accelerate the prior and remaining amount due to Service Provider hereunder and such amount shall be due and payable immediately by Station Licensee to Service Provider.

6. Without the necessity of any additional document being executed by Station Licensee for the purpose of effecting a subordination, this Agreement shall be subject and subordinate at all times to ground or underlying leases and to the lien of any mortgages or deeds of trust now or hereafter placed on, against or affecting the Service Provider Premises, Station Licensee’s interest or estate in the Service Provider Premises, or any ground or underlying lease; provided, that if the lessor, mortgagee, trustee, or holder of any such mortgage or deed of trust elects to have Station Licensee’s interest in this Agreement be superior to any such instrument, then, by notice to Station Licensee, this Agreement shall be deemed superior, whether this Agreement was executed before or after said instrument. Notwithstanding the foregoing, Station Licensee covenants and agrees to execute and deliver within ten (10) days of delivery of Service Provider’s request such further instruments evidencing such subordination or superiority of this Agreement as may be required by Service Provider. Within ten (10) days following delivery of

any written request which Service Provider may make from time to time, Station Licensee shall execute and deliver to Service Provider or mortgagee or prospective mortgagee a sworn statement certifying such matters as may be requested by Service Provider.

7. With respect to any Service Provider Premises that are subject to a lease agreement with a third party, Station Licensee's rights under this Exhibit 4 shall automatically terminate upon the termination for any reason (including by reason of casualty or condemnation) of any superior lease for the Service Provider Premises. Station Licensee shall occupy the Service Provider Premises in compliance with any superior lease. Station Licensee shall have no rights under the superior lease for the Service Provider Premises, including any assignment or subletting, extension, renewal, first offer or purchase rights. Service Provider shall not be responsible for the failure of lessor or other counterparty to the superior lease for the Service Provider Premises to provide any services or utilities or access to the Service Provider Premises; provided, that to the extent of any failure of services, utilities or access, Service Provider shall use reasonable efforts to obtain such services, utilities or access from its landlord.

OPTION AGREEMENT

THIS OPTION AGREEMENT is made and entered into as of December 27, 2013, by and between **Tribune Broadcasting Company II, LLC**, a Delaware limited liability company (together with its successors and permitted assigns, "**Option Holder**"), and **Dreamcatcher Broadcasting LLC**, a Delaware limited liability company (together with its successors and permitted assigns, "**Grantor**").

WITNESSETH

WHEREAS, Option Holder has entered into that certain Securities Purchase Agreement, dated as of June 29, 2013, by and among Option Holder, Tribune Company, parent of Option Holder ("**Option Holder Parent**"), Local TV Holdings, LLC (the "**Company**"), Oak Hill Capital Partners II, L.P. (the "**Seller Representative**"), and the sellers parties thereto (the "**Securities Purchase Agreement**"), pursuant to which Option Holder has contracted to purchase all of the issued and outstanding equity interests of the Company;

WHEREAS, Local TV Finance, LLC, a subsidiary of the Company, is currently the sole member of (i) Local TV Virginia License, LLC, a Delaware limited liability company, and (ii) Local TV Pennsylvania License, LLC, a Delaware limited liability company (together, the "**Subsidiaries**"), which are the holder of the Federal Communications Commission ("**FCC**") licenses for television broadcast stations WTKR(TV), Norfolk, Virginia (FCC Facility ID No. 47401) and WGNT(TV), Portsmouth, Virginia (FCC Facility ID No. 9762) (together, the "**Virginia Stations**"), and television broadcast stations WNEP-TV, Scranton, Pennsylvania (FCC Facility ID No. 73318), W07DC-D, Allentown/Bethlehem, Pennsylvania (FCC Facility ID No. 73325), W10CP-D, Towanda, Pennsylvania (FCC Facility ID 73320), W14CO-D, Clarks Summit, etc., Pennsylvania (FCC Facility ID 73326), and W15CO-D, Towanda, Pennsylvania (FCC Facility ID 73324) (together, the "**Pennsylvania Stations**" and, together with the Virginia Stations, the "**Stations**");

WHEREAS, in connection with the Securities Purchase Agreement, Option Holder Parent, the Seller Representative and Grantor have agreed to the Asset Purchase Agreement dated as of July 15, 2013 (the "**Asset Purchase Agreement**"), pursuant to which, subject to the consent of the FCC, Grantor is acquiring the entire membership interest in the Subsidiaries and certain other assets relating to the Stations, effective upon the closing of the transactions contemplated by the Securities Purchase Agreement (the "**Station Closing**");

WHEREAS, Grantor desires to grant to Option Holder an option to purchase the entire membership interest in the Subsidiaries and all of the assets relating to the Stations on the terms and conditions set forth herein; and

WHEREAS, Option Holder desires to acquire from Grantor an option to purchase the entire membership interest in the Subsidiaries and all such other assets on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the parties, intending to be legally bound, agree as follows:

1. Option Grant. Grantor hereby gives, grants, transfers and conveys to Option Holder the sole and exclusive right, privilege and option (the “**Option**”) to purchase, on the terms and conditions hereinafter set forth and effective as of the Station Closing, all of the tangible and intangible personal property, licenses, authorizations and leases, contracts and agreements, owned or held by Grantor or in which Grantor holds an interest, relating to the operation of the Stations, including the property described below (and collectively referred to as the “**Assets**”):

(a) All of the membership and other equity interests (including all outstanding options, warrants, and rights to acquire any membership or other equity interests) in and to the Subsidiaries (the “**Subsidiary Stock**”), which will at all times hold all licenses, construction permits and other authorizations issued by the FCC for the operation of the Stations, including any renewals, extensions or modifications thereof and additions thereto between the date hereof and the Option Closing (collectively, the “**FCC Licenses**”);

(b) All other licenses, permits, construction permits, approvals, concessions, franchises, certificates, consents, qualifications, registrations, privileges and other authorizations and other rights, from any governmental authority to Grantor used in connection with the Stations, including any renewals, extensions or modifications thereof and additions thereto between the Station Closing and the Option Closing (collectively, the “**Permits**”);

(c) All of the tangible personal property acquired by Grantor pursuant to the Asset Purchase Agreement or thereafter acquired by Grantor and used or useful in the operation of the Stations;

(d) All of the intangible personal property owned by Grantor relating to or used in connection with the operation of the Stations as of the Station Closing or thereafter acquired by Grantor and used or useful in the operation of the Stations; and

(e) All of the contracts, leases and other agreements relating to the ownership and operation of the Stations and the Subsidiaries, and all tangible assets owned by Grantor and used in the operation of the Stations.

2. Consideration for Option. This Option is granted for the Option Period (as the same may be extended pursuant to Section 3 hereof) in return for, among other consideration, the payment by Option Holder to Grantor of an amount equal to Ten Thousand Dollars (\$10,000), which shall be due and payable on the date of the Station Closing.

3. Option Period. The Option shall be effective commencing on the date hereof (the “**Effective Date**”) and ending on the eighth anniversary of the Effective Date (the “**Option Period**”); *provided*, that the Option Period shall be extended automatically without any further action by Option Holder or Grantor if either SSA (as defined in Section 5(e)) shall be renewed and, thereafter, the Option Period shall continue until both SSAs have been terminated in accordance with their terms. The Option may be exercised by Option Holder at any time during the Option Period.

4. Exercise of Option; Withdrawal.

(a) Option Holder may exercise the Option at any time during the Option Period by delivery of written notice thereof (the “**Exercise Notice**”) to Grantor. Upon exercise of the Option, Option Holder and Grantor shall be obligated to enter into the transactions to be consummated hereunder at the Option Closing, subject to the provisions of Sections 9 and 10 hereof, and Section 4(b) below.

(b) Option Holder may withdraw any Exercise Notice prior to the Option Closing by written notice to Grantor of such withdrawal. No such withdrawal (and no withdrawal of any subsequent Exercise Notice) shall affect Option Holder’s right subsequently to exercise the Option by delivering to Grantor during the Option Period one or more other Exercise Notices. In the event of any withdrawal of any Exercise Notice by Option Holder, Option Holder shall reimburse Grantor for any out-of-pocket costs reasonably incurred by Grantor by reason of such Exercise Notice.

5. Purchase of Assets.

(a) *Purchase Price.* At the Option Closing, and pursuant to the terms and subject to the conditions set forth in this Agreement, Option Holder shall pay to Grantor an amount equal to the Cash Purchase Price by federal wire transfer of same-day funds pursuant to wire instructions delivered to Option Holder by Grantor at least two business days prior to the Option Closing Date (or such other method of funds transfer as may be agreed upon by Option Holder and Grantor). The “**Cash Purchase Price**” shall be an amount equal to the sum of (a) the Base Value (as defined in *Schedule 5(a)* hereto) and (b) the Escalation Amount (as defined and calculated pursuant to *Schedule 5(a)* hereto).

(b) *Transfer of Assets.* Subject to Section 4(b), upon the exercise of the Option, Grantor shall, on the Option Closing Date, sell, assign, transfer, convey and deliver to Option Holder all right, title and interest of Grantor in and to the Assets free and clear of liens, claims and encumbrances (“**Liens**”), except for Assumed Obligations, liens for taxes not yet due and payable and any other liens expressly identified and agreed to by the parties in writing (collectively, “**Permitted Liens**”).

(c) *Excluded Assets.* Except for those assets specifically identified in Section 1, the Assets shall not include any other assets, properties, interests or rights of any kind or description (the “**Excluded Assets**”). The Excluded Assets shall remain the property of Grantor.

(d) *Assumption of Obligations.* On the Option Closing Date, Option Holder shall assume and undertake to pay, discharge and perform all obligations of Grantor as the owner of the Assets, to the extent such obligations arise out of events occurring on or after the Option Closing Date (the “**Assumed Obligations**”).

(e) *Excluded Obligations.* Option Holder does not assume or agree to discharge or perform, and will not be deemed by reason of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby to have assumed or to have agreed to discharge or perform, and Grantor shall remain liable for, any liabilities,

obligations or commitments of Grantor arising from the business or operation of the Stations before the Option Closing Date and any other obligations or liabilities other than the Assumed Obligations, except for obligations arising under the Shared Services Agreement by and between Tribune Broadcasting Company II, LLC (“Tribune Broadcasting”) and Local TV Virginia Licensee, LLC (the “**Virginia SSA**”) or the Shared Services Agreement by and between Tribune Broadcasting and Local TV Pennsylvania Licensee, LLC (the “**Pennsylvania SSA**” and, together with the Virginia SSA, the “**SSAs**”).

(f) *Closing.* Upon the exercise of the Option, the consummation of the sale and purchase of the Assets provided for in this Agreement (the “**Option Closing**”) shall take place no later than ten business days after the satisfaction or, to the extent permissible by law, the waiver (by the party for whose benefit the closing condition is imposed) of, the conditions specified in Sections 9 and 10 hereof. Alternatively, the Option Closing may take place at such other place, time or date as the parties may mutually agree upon in writing. The date on which the Option Closing is to occur is referred to herein as the “**Option Closing Date.**”

(g) *Allocation.* Option Holder and Grantor will allocate the Purchase Price in accordance with the respective fair market values of the Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended. The allocation shall be determined by mutual agreement of the parties. Option Holder and Grantor agree to file their federal income tax returns and their other tax returns reflecting such allocation and to use such allocation for accounting and financial reporting purposes.

6. Representations and Warranties of Grantor. Grantor represents and warrants to Option Holder, at and as of the Option Closing Date, as follows; *provided, however*, that Grantor makes no representation or warranty as to any action, event, occurrence or circumstance that (i) was or shall be caused by Option Holder or that arose, or shall arise from any omission by Option Holder to perform its obligations under the SSAs, or (ii) as of the date of the Station Closing constitutes a breach by Sellers of a representation or warranty of Sellers under the Securities Purchase Agreement:

(a) Grantor is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware.

(b) Grantor has the organizational power and authority to enter into and to perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement by Grantor has been duly authorized and this Agreement constitutes a valid and binding obligation of Grantor enforceable against Grantor in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors’ rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) Prior to the date hereof, Grantor has not engaged in any business and does not have any liabilities or obligations, except those liabilities and obligations incurred in

connection with its organization, the negotiation, execution, delivery and performance of this Agreement, the SSAs and the transactions contemplated hereby and thereby and incidental expenses incurred in connection therewith. Grantor has no indebtedness for borrowed money, other than indebtedness pursuant to any credit agreement or other borrowing arrangement in connection with the performance of Grantor's obligations pursuant to the Asset Purchase Agreement, the terms and conditions of which have been consented to in writing by Option Holder and, if applicable, the performance of Grantor has been guaranteed by Option Holder or an affiliate thereof (an "***Acquisition Financing Arrangement***"). All of the outstanding equity interests of Grantor, however designated, are owned, beneficially and of record, by Ed Wilson, and there are no outstanding subscriptions, warrants, options, calls, commitments or other rights to purchase or acquire, or securities convertible into or exchangeable for, any equity or debt interests of Grantor or any obligation of Grantor to issue or grant any thereof.

(e) Grantor has good and marketable title to the Assets free and clear of liens other than liens for taxes not yet due and payable and liens that will be discharged at or prior to the Option Closing.

(f) The Subsidiaries are the holders of the FCC Licenses and such FCC Licenses are valid and in full force and effect.

(g) Grantor and the Subsidiaries have filed all material returns, reports, and statements that Grantor or any Subsidiary is required to file with the FCC and the Federal Aviation Administration. Except as set forth on *Schedule 6* hereto, (i) there is no action, suit or proceeding pending or, to Grantor's knowledge, threatened in writing against Grantor or any Subsidiary in respect of the Stations seeking to enjoin the transactions contemplated by this Agreement; and (ii) to Grantor's knowledge, there are no governmental claims or investigations pending or threatened against Grantor or any Subsidiary in respect of the Stations (except those affecting the broadcasting industry generally).

(h) No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Grantor or any other party acting on Grantor's behalf.

7. Representations and Warranties of Option Holder. Option Holder represents and warrants to Grantor, as of the date hereof and again at and as of the Option Closing Date, as follows:

(a) Option Holder is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware.

(b) Option Holder has the organizational power and authority to enter into and perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement by Option Holder has been duly authorized and this Agreement constitutes a valid and binding obligation of Option Holder enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights in general and subject to

general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Option Holder or any party acting on Option Holder's behalf.

8. Covenants of Grantor. During the Option Period, and subject to the SSA and the performance by Option Holder of its obligations thereunder, Grantor covenants to:

(a) Maintain and cause the Subsidiaries to maintain insurance on the Assets and with respect to the operation of the Stations in such amounts and in such nature as in effect on the date hereof;

(b) Operate and cause the Subsidiaries to operate the Stations in all material respects in accordance with the terms of the FCC Licenses, the Communications Act of 1934, as amended (the "**Communications Act**"), the rules and published policies of the FCC ("**FCC Rules**") and all other statutes, ordinances, rules and regulations of governmental authorities;

(c) Cause the Subsidiaries not to acquire or hold any assets other than the FCC Licenses and the rights under the SSAs or incur any liabilities or obligations other than the obligations under the SSAs;

(d) Refrain from taking any action, and cause the Subsidiaries not to take any action, that would cause the FCC Licenses not to be in full force and effect or to be revoked, suspended, cancelled, rescinded, terminated or expired;

(e) File and cause the Subsidiaries to fill all material returns, reports, and statements that Grantor or any Subsidiary is required to file with the FCC and the Federal Aviation Administration;

(f) Other than pursuant to an Acquisition Financing Arrangement, not mortgage, pledge, subject to any lien or otherwise encumber (or cause any of the foregoing to occur) any of the Assets or any of the outstanding equity interests of Grantor, and not permit any Subsidiary to mortgage, pledge, subject to any lien or otherwise encumber (or cause any of the foregoing to occur) the FCC Licenses or any other assets of any Subsidiary;

(g) Not sell, lease or otherwise dispose of any of the Assets, or permit any Subsidiary to sell, lease, transfer, assign, or otherwise dispose of the FCC Licenses or any other assets of any Subsidiary, in a manner that is inconsistent with this Agreement, except for properties and assets sold or replaced with others of like kind and value in the ordinary course of business, or as required by applicable law; and

(h) Not issue any subscription, warrant, option, calls, commitments or other rights to purchase or acquire any equity or debt interests, or any securities convertible into or exchangeable for any equity or debt interests, of Grantor or any Subsidiary (other than pursuant to an Acquisition Financing Arrangement).

9. Grantor Closing Conditions.

Subject to the exercise of the Option pursuant to the terms and subject to the conditions of this Agreement, the obligations of Grantor hereunder are subject to satisfaction or waiver, at or prior to the Option Closing, of each of the following conditions:

(a) *Representations, Warranties and Covenants.* The representations and warranties of Option Holder made in this Agreement shall be true and correct in all material respects at and as of the Option Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Option Holder at or prior to the Option Closing shall have been complied with or performed in all material respects. Grantor shall have received a certificate dated as of the Option Closing Date from Option Holder, executed by an authorized officer of Option Holder, to the effect that the conditions set forth in this Section 9(a) have been satisfied.

(b) *FCC Consent.* The FCC Consent shall have been obtained and be in effect and no court or governmental order prohibiting the Option Closing shall be in effect.

(c) *No Prohibitions.* No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

10. Option Holder Closing Conditions.

Subject to the exercise of the Option pursuant the terms and subject to the conditions of this Agreement, the obligations of Option Holder hereunder are subject to satisfaction or waiver, at or prior to the Option Closing, of each of the following conditions:

(a) *Representations, Warranties and Covenants.* The representations and warranties of Grantor made in this Agreement shall be true and correct in all material respects at and as of the Option Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Grantor at or prior to Option Closing shall have been complied with or performed in all material respects. Option Holder shall have received a certificate dated as of the Option Closing Date from Grantor, executed by an authorized officer of Grantor, to the effect that the conditions set forth in this Section 10(a) have been satisfied.

(b) *FCC Consent.* The FCC Consent shall have been obtained and constitute a Final Order, and no court or governmental order prohibiting Option Closing shall be in effect. For purposes hereof, “**Final Order**” shall mean an action by the FCC or other regulatory authority having jurisdiction (i) with respect to which action no timely request for stay, motion or petition for reconsideration or rehearing, application or request for review or notice of appeal or other judicial petition for review is pending and (ii) as to which the time for filing any such request, motion, petition, application, appeal or notice and for entry of orders staying, reconsidering or reviewing on the FCC’s or such other regulatory authority’s own motion has expired.

(c) No Prohibitions. No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

11. Closing Deliveries.

(a) *Grantor Documents*. Subject to the exercise of the Option pursuant the terms and subject to the conditions of this Agreement, at the Option Closing, Grantor shall deliver or cause to be delivered to Option Holder:

(i) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, by Grantor;

(ii) the certificate described in Section 10(a) hereof;

(iii) an assignment agreement in the form attached hereto as *Exhibit A*;
and

(iv) such other bills of sale, assignments and other instruments of conveyance, assignment and transfer as may in the reasonable judgment of Option Holder be necessary or desirable to convey, transfer and assign to Option Holder the Assets, free and clear of Liens, except for Permitted Liens.

(b) *Option Holder Documents*. Subject to the exercise of the Option pursuant the terms and subject to the conditions of this Agreement, at the Option Closing, Option Holder shall deliver or cause to be delivered to Grantor:

(i) the certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, by Option Holder;

(ii) the certificate described in Section 9(a) hereof;

(iii) the Cash Purchase Price;

(iv) an assignment agreement in the form attached hereto as *Exhibit A*;
and

(v) such other documents and instruments of assumption as may be necessary to assume the Assumed Obligations.

12. Survival; Indemnification.

(a) *Survival*. The representations and warranties in this Agreement shall survive the Option Closing for twelve months after the Option Closing Date, whereupon they shall expire and be of no further force or effect, except those under this Section 12 that relate to

Damages for which written notice is given by the indemnified party to the indemnifying party prior to the expiration, which shall survive until resolved.

(b) *Indemnification.*

(i) From and after the Option Closing, Grantor shall defend, indemnify and hold harmless Option Holder from and against any and all losses, costs, damages, claims, suits, actions, judgments, liabilities and expenses, including reasonable attorneys' fees and expenses ("**Damages**"), incurred by Option Holder arising out of or resulting from (A) any material inaccuracy in or breach or nonfulfillment of any of the representations, warranties, covenants or agreements made by Grantor in this Agreement or default by Grantor under this Agreement, or (B) obligations or liabilities of Grantor regarding the Stations other than the Assumed Obligations.

(ii) From and after the Option Closing, Option Holder shall defend, indemnify and hold harmless Grantor from and against any and all Damages incurred by Grantor arising out of or resulting from (A) any material inaccuracy in, or breach or nonfulfillment of, any of the representations, warranties, covenants or agreements made by Option Holder in this Agreement or default by Option Holder under this Agreement; (B) the Assumed Obligations or the business or operations of the Stations after the Option Closing Date, or (C) any taxes owed by Option Holder for any period following the Option Closing Date.

(iii) From and after the date hereof, Option Holder shall defend, indemnify and hold harmless Grantor from and against any and all Damages incurred by Grantor arising out of or resulting from (A) the business or operations of the Stations during the period prior to the Station Closing, except for actions taken by Tribune Broadcasting Company II, LLC, pursuant to the SSAs, (B) any act or omission, event or occurrence that was or is caused by Option Holder, its agents or affiliates (including any predecessor in interest thereto) relating to the business or operations of Option Holder or the Stations, (C) the operation of the Stations or the conduct of the business thereof from and after the Station Closing and continuing through the Option Period and any extensions thereof (including without limitation in connection with any fines or penalties imposed by the FCC), except to the extent arising from, relating to, or as a result of the actions or omissions of Grantor's employees and representatives in performing their duties, or in acting outside the scope of their employment, with respect to the operation of the Stations during the Option Period and any extensions thereof, which actions or omissions constitute willful misconduct or gross negligence, or (D) the negotiation and the document preparation and execution relating to the Asset Purchase Agreement, this Agreement, and the SSAs and any amendments thereto; *provided*, that this paragraph (iii) shall not extend to Damages to the extent arising out of or resulting from a breach by Grantor of its representations, warranties, covenants or agreements in this Agreement, the Asset Purchase Agreement or the SSAs or from the gross negligence or willful misconduct of Grantor or its employees, agents or affiliates.

(iv) Indemnification Procedures. If any person entitled to indemnification under this Agreement (an “**Indemnified Party**”) asserts a claim for indemnification for, or receives notice of the assertion or commencement of any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement (a “**Third Party Claim**”) as to which such Indemnified Party intends to seek indemnification under this Agreement, such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an “**Indemnifying Party**”), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the “**Defense Notice**”) within fifteen (15) days after receipt from the Indemnified Party of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party (which notice shall specify the counsel the Indemnifying Party will appoint to defend such claim (“**Defense Counsel**”); *provided, however*, that the Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party.

(v) If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at his or its own expense, in the defense of such Third Party Claim; *provided, however*, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if (A) so requested by the Indemnifying Party to participate or (B) in the reasonable opinion of counsel to the Indemnified Party, a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation advisable; and *provided, further*, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.

(vi) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third

Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will be liable for all Losses paid or incurred in connection therewith and the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Agreement), in which case the consent of the Indemnified Party shall not be required.

(vii) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(viii) It is the intent of the parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this Section 12(b). Any claim under this Section 12(b) by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a “**Direct Claim**”) will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of 20 days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20 day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 12(b).

(ix) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 12(b) shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(x) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Damages (in which case such proceeds shall reduce such Losses). To the extent any Damages of an Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Damages and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Losses. The indemnification obligations hereunder shall survive any termination of this Agreement.

(c) NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES).

13. Specific Performance. Grantor and Option Holder acknowledge and agree that, due to the unique nature of the subject matter of this Agreement, Option Holder would suffer irreparable damages in the event of breach of this Agreement, which damages could not adequately be compensated except by specific performance of this Agreement. Accordingly, without limiting any other remedy that may be available to Option Holder at law or equity, in the event of a breach by Grantor of this Agreement, it is agreed that Option Holder shall be entitled to temporary and permanent injunctive relief, including, but not limited to, specific performance hereof, without any showing of actual damage or inadequacy of legal remedy, in any proceeding before a court of law with proper jurisdiction to hear the matter, which may be brought to enforce this Agreement. Grantor hereby waives any defense that there is an adequate remedy at law for such breach of this Agreement.

14. Expenses. Option Holder agrees to reimburse Grantor, within fifteen days of invoicing with reasonable documentation, for its reasonable and customary fees, costs and out-of-pocket expenses, including filing fees and reasonable and customary attorneys' fees, incurred in connection with the performance of its covenants and obligations hereunder; *provided, however,* that except as set forth in Section 12(b), Option Holder shall have no reimbursement obligation with respect to claims, actions or proceedings brought by or on behalf of Grantor against Option Holder.

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

16. Amendment and Modification. This Agreement may be amended, modified or supplemented only by written agreement of Grantor and Option Holder.

17. Waiver of Compliance; Consents. Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliances as set forth in this Section 17.

18. Notices. All notices, requests, demands and other communications which are required or may be given pursuant to the terms of this Option Agreement shall be in written or electronic form, and shall be deemed delivered (a) on the date of delivery when (i) delivered by hand or (ii) sent by reputable overnight courier maintaining records of receipt and (b) on the date of transmission when sent by facsimile or other electronic transmission during normal business hours with confirmation of transmission by the transmitting equipment; *provided, however*, that any such communication delivered by facsimile or other electronic transmission shall only be effective if such communication is also delivered by hand or deposited with a reputable overnight courier maintaining records of receipt within two business days after its delivery by facsimile or other electronic transmission. All such communications shall be addressed to the parties at the address set forth in *Exhibit B*, or at such other address as a party may designate upon ten days' prior written notice to the other party.

19. Assignment. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but, except as provided for herein, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by Grantor without the prior written consent of Option Holder, which consent shall not be unreasonably withheld. Without the consent of Grantor, Option Holder may assign its rights and obligations under this Agreement to any other party or parties; *provided* that Option Holder, as assignor, shall not thereby be released of its obligations hereunder.

20. No Third Party Beneficiaries. Except as expressly provided herein, this Agreement is not intended to, and shall not, confer upon any other person except the parties hereto any rights or remedies hereunder.

21. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of New York, excluding any conflicts or choice of law rule or principle thereof that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. ,

22. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other

provision is invalid or enforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in any acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

23. *Publicity.* Neither Grantor nor Option Holder shall make or issue or cause to be made or issued, any announcement (written or oral) concerning this Agreement or the transactions contemplated hereby for dissemination to the general public without the prior consent of the other party. This provision shall not apply, however, to any announcement or written statement required to be made by law or the regulations of any federal or state governmental agency or any stock exchange, except that the party required to make such announcement shall provide a draft copy thereof to the other party hereto, and consult with such other party concerning the timing and content of such announcement, before such announcement is made.

24. *FCC Approval.*

(a) Option Holder's rights under this Agreement are subject to the Communications Act and the FCC Rules. Nothing contained in this Agreement shall be construed to give Option Holder any right to control, supervise or direct the operation of the Stations prior to the Option Closing. Consistent with the Communications Act and the FCC Rules, control of the operation of the Stations prior to the Option Closing shall remain the responsibility of Grantor as the holder of the FCC Licenses.

(b) As soon as reasonably practicable, but in no event later than five business days after Option Holder's delivery of the Exercise Notice, the parties shall file an application (the "***Assignment Application***") with the FCC requesting the FCC's written consent to the assignment of the FCC Licenses from Grantor to Option Holder, including, as applicable, any waiver of such FCC Rules as Option Holder may deem appropriate or desirable (a "***Waiver Request***"). In addition, each party hereto covenants and agrees to (i) prepare, file and prosecute any alternative application, petition, motion, request (including any Waiver Request) or other filing (including, upon the request of Option Holder, any motion for leave to withdraw or dismiss any Assignment Application or other filing made by the parties in connection with the transactions contemplated by this Agreement) (collectively, the "***Additional Applications***" and, together with the Assignment Application, the "***FCC Applications***"); (ii) file any amendment or modification to the FCC Applications; (iii) provide to Option Holder any information, documents or other materials reasonably requested by Option Holder in connection with the preparation of any such FCC Applications, including without limitation any Waiver Request, (iv) prosecute the FCC Applications with commercially reasonable diligence and otherwise use their commercially reasonable efforts to obtain a favorable conclusion with regard to the FCC Applications; (v) otherwise take any other action with respect to the FCC as may be reasonably necessary or reasonably requested by Option Holder in connection with the transactions contemplated hereby; and (vi) cooperate in good faith with the other party with respect to the foregoing covenants, all as may be determined by Option Holder to be reasonably necessary or appropriate or advisable in order to consummate the transactions contemplated hereby upon the exercise of the Option. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Applications, shall furnish all

information required by the FCC and shall be represented at all meetings or hearings scheduled to consider the FCC Application. The FCC's written consent to the assignment of the FCC Licenses contemplated hereby is referred to herein as the "**FCC Consent**." The parties each agree to comply with any condition imposed on them by any FCC Consent, except that no party shall be required to comply with a condition if such condition requires such party to divest any of its direct or indirect assets or imposes a material cost on a party. The parties shall oppose any petitions to deny or other objections filed with respect to the application for any FCC Consent and any requests for reconsideration or review of any FCC Consent.

25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Agreement.

26. Headings and Interpretation. The section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Agreement. As used herein, except as the context otherwise requires, the singular shall include the plural and vice versa, words of any gender shall include any other gender, and "or" is used in the inclusive sense.

27. Entire Agreement. This Agreement, including the documents delivered pursuant to this Agreement or other written agreements referring specifically to this Agreement embody the entire agreement and understanding of the parties hereto in respect of the transactions contemplated by this Agreement. The Schedules and Exhibits hereto are an integral part of this Agreement and are incorporated by reference herein. This Agreement supersedes all prior negotiations, agreements and understandings between the parties with respect to the transactions contemplated by this Agreement and all letters of intent and other writings executed prior to the date hereof relating to such negotiations, agreements and understandings.

[Remainder of page intentionally left blank; signature page follows]

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

GRANTOR:

Dreamcatcher Broadcasting LLC

By: 

Name: Royce E. Wilson, Sr.

Title: President

OPTION HOLDER:

Tribune Broadcasting Company II, LLC

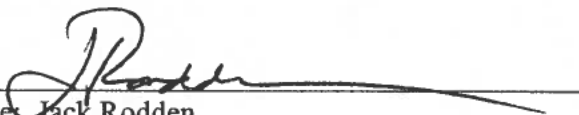
By: 
Name: Jack Rodden
Title: Assistant Treasurer

Exhibit A -- Form of Assignment Agreement

This Assignment and Assumption Agreement (this “**Agreement**”) is made as of [____], 20[___], by and among **Dreamcatcher Broadcasting LLC**, a Delaware limited liability company (“**Seller**”), and **Tribune Broadcasting Company II, LLC**, a Delaware limited liability company (“**Buyer**”).

W I T N E S S E T H:

WHEREAS, Seller and Buyer are parties to that certain Option Agreement, dated as of _____, 2013 (the “**Option Agreement**”); and

WHEREAS, Seller desires to assign to Buyer all of Seller’s right, title and interest in, to and under the contracts relating to the business of the Stations (as defined in the Option Agreement) (collectively, the “**Assumed Contracts**”), and Buyer is willing to accept assignment of such rights and assume such duties and obligations arising under or in connection with the Assumed Contracts, in each case pursuant to the terms and subject to the conditions of the Option Agreement and this Agreement (including Section 6 hereof).

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, Seller and Buyer, intending to be legally bound, hereby agree as follows:

1. **Defined Terms; Interpretation.** Except as otherwise set forth herein, capitalized terms used herein have the meanings assigned to them in the Option Agreement.
2. **Assignment and Assumption.** Pursuant to the terms and subject to the conditions of the Option Agreement and effective as of the date hereof, (a) Seller hereby conveys, assigns, and transfers to Buyer, its successors and assigns, all of such Seller’s right, title and interest in, to and under the Assumed Contracts, free and clear of any and all liens, and delegates to Buyer all of its duties and obligations to be performed, or arising on or after the date hereof in connection with or under the Assumed Contracts, and (b) Buyer hereby accepts the above assignment of rights and delegation of duties and obligations and agrees to be bound by and to assume such duties and obligations arising under or in connection with the Assumed Contracts to be performed or arising on or after the date hereof.
3. **Further Assurances.** Each party to this Agreement agrees to execute, acknowledge, deliver, file and record, and to cause to be executed, acknowledged, delivered, filed and recorded, such further certificates, instruments, and documents and to do, and cause to be done, all such other acts and things, as may be required by law, or as may, in the reasonable opinion of the other party hereto, be necessary or advisable to carry out the purposes of this Agreement.
4. **Binding Effect; Amendments.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No modification, amendment or waiver of any provision of, or consent or approval required by, this Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the party against whom enforcement of any such modification, amendment, waiver, consent or approval is sought.

5. ***Governing Law.*** Construction and interpretation of this Agreement shall be governed by the laws of the State of New York, excluding any conflicts or choice of law rule or principle thereof that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.
6. ***Option Agreement Controlling.*** Nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, or any of the obligations, of Seller or Buyer set forth in the Option Agreement. This Agreement is subject to and controlled by the terms of the Option Agreement.
7. ***Counterparts.*** This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Agreement.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed and delivered as of the day and year first above written.

Dreamcatcher Broadcasting LLC

Tribune Broadcasting Company II, LLC

By: _____
Name:
Title:

By: _____
Name:
Title:

Exhibit B - Notices

If to Option Holder, to:

Tribune Broadcasting Company II, LLC
435 North Michigan Avenue
Chicago, IL 60611
Fax: 312-222-4206
Attention: General Counsel

with a copy (which shall not constitute notice) to:

Covington & Burling LLP
1201 Pennsylvania Ave., N.W.
Washington, D.C. 20004-2401
Fax: 202-778-5552
Attention: Mace Rosenstein, Esq.

If to Grantor to:

Dreamcatcher Broadcasting LLC
2016 Broadway
Santa Monica, CA 90404
Fax:
Attention: Ed Wilson

with a copy (which shall not constitute notice) to:

Jack N. Goodman, Esq.
1200 New Hampshire Ave, NW
Suite 800
Washington, DC 20036-6802
Fax: 202-776-2222

Schedule 5(a)

1. For purposes of this Agreement, the “***Base Value***” shall be an amount equal to the total outstanding balance of debt for borrowed money of Grantor under such Acquisition Financing Arrangement.
2. For purposes of this Agreement, the “***Escalation Amount***” shall be the following:
 - (a) If the Closing Date is on or before December 31, 2014: \$500,000;
 - (b) If the Closing Date is after December 31, 2014, and on or before December 31, 2015: \$750,000;
 - (c) If the Closing Date is after December 31, 2015, and on or before December 31, 2016: \$1,350,000;
 - (d) If the Closing Date is after December 31, 2016, and on or before December 31, 2017: \$1,620,000; and
 - (e) If the Closing Date is after December 31, 2017: \$1,890,000.