



Moss & Barnett

July 19, 2018

VIA E-FILE, FEDEX, AND HAND DELIVERY

Ms. Marlene H. Dortch, Secretary
Federal Communications Division
445 12th Street SW
Washington, DC 20554

Re: Petition for Confidentiality of Answer, MB Docket No. 18-208.

Dear Ms. Dortch:

MTA Communications, LLC ("MTA") hereby submits the provisionally confidential version of its Answer to the Complaint of Coastal Television Broadcasting Company, LLC ("Coastal"). This confidential version of MTA's Answer is being filed by hand delivery to the Federal Communications Commission ("FCC" or "Commission") and a copy of the same will be served on Coastal via FedEx delivery. The redacted version of the Answer will be e-filed today as well.

The confidential version of MTA's Answer redacts the pricing information from the last retransmission agreement between MTA and Coastal and the pricing information that MTA and Coastal exchanged during negotiations for Coastal's FOX-KTBY signal. The expired retransmission agreement may offer limited coverage for the historic data from 2015-2017, but there is no Nondisclosure Agreement or other expectation of confidentiality for the forward-looking proposals. Thus, MTA does not consider this information to be confidential pursuant to any existing agreement.

While MTA does not believe the redacted pricing information constitutes commercially sensitive information, it is not clear to MTA whether Coastal considers such information to be confidential or sensitive. Out of an abundance of caution, MTA is therefore filing a redacted version of its Answer to give Coastal the opportunity to seek confidential treatment of the pricing data redacted in MTA's Answer if appropriate.

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Page 2

Very truly yours,

A handwritten signature in blue ink, reading "Shannon M. Heim". The signature is fluid and cursive, with the first name "Shannon" being more prominent than the last name "Heim".

Shannon M. Heim

Attorney at Law

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cc: MTA Communications, LLC
Frank R. Jazzo, Esq. (via FedEx)
Daniel A. Kirkpatrick, Esq. (via FedEx)

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

In the Matter of

COASTAL TELEVISION BROADCASTING COMPANY LLC

Complainant,

v.

MB Docket No. 18-208

MTA COMMUNICATIONS, LLC

Defendant.

ANSWER OF MTA COMMUNICATIONS, LLC

Plaintiff Coastal Television Broadcasting Company LLC (“Coastal”) engages in revisionist history to allege that Defendant MTA Communications, LLC (“MTA”) breached its obligations to negotiate in good faith for the retransmission of a Coastal broadcast television station, KTBY. Before the renegotiation of the retransmission agreement, MTA members were paying \$[REDACTED] per member per month to view the FOX-KTBY station that Coastal broadcasts. During the course of a nearly six-month long negotiation with Coastal, MTA exchanged many offers and counteroffers with Coastal. Throughout all of these exchanges, MTA’s *lowest* offer to renew the FOX-KTBY signal was never below \$[REDACTED] per member per month, which represents an approximate 7.5% increase in the cost of the FOX-KTBY programming from what MTA members were paying in 2017.

Coastal ignores the history of the parties’ negotiations and paints itself as a victim of MTA’s bad-faith negotiations when in reality, Coastal is the bad actor. Once negotiations stalled in early 2018, Coastal authored a series of online articles and Facebook posts urging MTA’s

consumers to switch to other subscribers who offer the FOX-KTBY station. Coastal's social media onslaught has continued since the filing of this Complaint, and it is a bad faith, deliberate, and intentional tactic to force MTA to agree to unreasonable rates for FOX-KTBY. Even this Complaint is part of Coastal's campaign of bullying MTA's members into paying inflated rates for KTBY's programming. MTA's members have a right to refuse high-cost programming, and MTA has a right to represent its members' best interests during negotiations with Coastal. All of the evidence submitted in support of this Answer will show that MTA's actions were lawful under 47 CFR § 76.65. MTA urges the Commission to reject Coastal's abuse of its regulatory process. MTA further urges the Commission to send a clear message to broadcasters that this behavior is unacceptable by awarding MTA its attorneys' fees.

This Answer is organized to follow the sections of Coastal's Complaint and identifies specific paragraphs of the Coastal Complaint when feasible.¹ MTA has attempted to respond to all allegations in the numbered paragraphs of the Complaint. To the extent any allegation is not admitted or qualified, MTA denies each allegation in Coastal's Formal Complaint.

1. In response to Coastal's Introductory Paragraph, MTA denies that it breached its obligation to negotiate in good faith for the terms of retransmission of the signal of Coastal's broadcast station, FOX-KTBY.

I. JURISDICTION

2. MTA admits the allegations of Paragraph I.

II. THE COMPLAINANT

3. MTA admits the allegations of Paragraph II.

¹ Coastal did not number the paragraphs of its Complaint, making it difficult for MTA to respond sequentially to Coastal's allegations. This Complaint adopts the same formatting of Coastal's Complaint in an attempt to address these allegations in an organized manner.

III. THE DEFENDANT

4. MTA admits the allegations of Paragraph III.

IV. STATEMENT OF THE FACTS

5. The following facts are all supported by the exhibits attached hereto.

On January 1, 2015, Coastal and MTA entered into a Retransmission Consent Agreement to allow MTA to rebroadcast FOX-KTBY from 2015 through 2016.² The parties renewed the 2015 Retransmission Consent Agreement on February 11, 2016.³ Pursuant to the 2015 Retransmission Consent Agreement and the Amendment thereto, MTA paid Coastal an established monthly license fee per MTA subscriber as follows:

Period	Monthly License Fee per Subscriber	Percentage Increase from Previous Year
Year 1 (2015)	\$ [REDACTED]	N/A
Year 2 (2016)	\$ [REDACTED]	9.7%
Year 3 (2017)	\$ [REDACTED]	9.4% ⁴

On September 28, 2017, MTA received KTBY's Election of Retransmission Consent Status Notice from William Fielder, the CEO of Coastal.⁵ On October 18, 2017, MTA's Director of Product Management & Marketing, Jonathan Babbitt, reached out to Mr. Fielder to discuss a potential renewal of the Retransmission Consent Agreement.⁶ Mr. Babbitt received no response from Mr. Fielder despite sending two subsequent follow-up e-mails to Mr. Fielder on October 27, 2017, and November 6, 2017.⁷ Mr. Babbitt finally reached Mr. Fielder by phone during the

² Retransmission Consent Agreement, dated January 1, 2015 (hereinafter Exhibit A).

³ Amendment to Retransmission Consent Agreement, dated February 11, 2016 (hereinafter Exhibit B).

⁴ Exs. A & B.

⁵ E-mail chain between Jonathan Babbitt and William Fielder, dated October 18, 2017-November 6, 2017 (hereinafter Exhibit C).

⁶ *Id.*

⁷ *Id.*

week of November 13, 2017, and Mr. Fielder promised that he would instruct Scott Centers, Coastal's Chief Operating Officer, to send Coastal's first draft of the Retransmission Consent Agreement to MTA.

MTA did not receive Coastal's first draft of the Retransmission Consent Agreement until November 28, 2017—more than two months after MTA received KTBY's Election of Retransmission Consent Status.⁸ Because MTA did not receive Coastal's first draft of the Retransmission Consent Agreement until November 28, 2017, the parties were only allowed 23 working days to negotiate renewal of the Agreement before it expired. Coastal's first draft of the Retransmission Consent Agreement contained the following offer:

Primary Affiliation of Retransmitted Feed	January 1, 2018- December 31, 2018	January 1, 2019- December 31, 2019
Big 4 Network	\$ [REDACTED]	\$ [REDACTED]
CW Network	\$ [REDACTED]	\$ [REDACTED]
MyNetwork	\$ [REDACTED]	\$ [REDACTED]
Independent Channel	\$ [REDACTED]	\$ [REDACTED]
Other	\$ [REDACTED]	\$ [REDACTED] ⁹

The monthly fee that Coastal proposed for FOX-KTBY (listed as "Big 4 Network") in 2018 represented an 88% increase from the fees MTA paid the previous year.¹⁰ Mr. Babbitt countered Coastal's opening offer with the following terms:

Primary Affiliation of Retransmitted Feed	2018	2019
FOX - KTBY	\$ [REDACTED]	\$ [REDACTED]
CW Network	\$ [REDACTED]	\$ [REDACTED]
Independent Channel	\$ [REDACTED]	\$ [REDACTED]
Other	\$ [REDACTED]	\$ [REDACTED] ¹¹

⁸ E-mail chain between Jonathan Babbitt and Scott Centers, dated November 28, 2017-December 6, 2017 (hereinafter Exhibit D).

⁹ Coastal's Proposed Retransmission Consent Agreement, undated (hereinafter Exhibit E).

¹⁰ Compare Ex. B, with Ex. E.

In this same counteroffer, Mr. Babbitt also included this proposed change to the language in Section 7 of the termination provision: “(c) Without limitation to any other termination right granted in this Agreement, this Agreement may be terminated by Operator if Operator discontinues operation of the Systems and Operator no longer provides video service to any member, or by Station Group with respect to Station if such Station is no longer operating or transmitting.”¹²

On December 5, 2017, Mr. Centers responded to Mr. Babbitt’s counteroffer and requested that MTA increase its price in 2019 for FOX-KTBY from \$[REDACTED] per subscriber per month to \$[REDACTED] per subscriber per month.¹³ In response, Mr. Babbitt offered to increase to \$[REDACTED] for FOX-KTBY in 2019 so long as the cost of FOX-KTBY decreased from \$[REDACTED] to \$[REDACTED] in 2018. Mr. Centers rejected this offer.¹⁴ In response to Mr. Centers’ rejection, Mr. Babbitt reiterated that MTA would not move on the FOX-KTBY price in 2019 if Coastal refused to move on the FOX-KTBY price in 2018.¹⁵

Thereafter, Mr. Babbitt scheduled two separate telephone conference calls with Mr. Centers on December 7, 2017, and December 12, 2017, to continue negotiations. Without notice to MTA or Mr. Babbitt, Mr. Centers did not call into either previously scheduled telephone conference. When Mr. Centers finally made himself available for a telephone call, he presented a “take it or leave it” offer where Coastal was unwilling to compromise on the price in either year. MTA rejected Coastal’s offer.

¹¹ Ex. D.

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

On December 30, 2017, Mr. Centers e-mailed a former MTA employee, Carolyn Hanson, and Mr. Babbitt.¹⁶ Mr. Centers claimed that he was offering MTA a temporary 5-day grant to use the FOX-KTBY signal until January 5, 2018,¹⁷ but his offer included the caveat that the “final negotiated contract terms will become effective on January 1, 2018.”¹⁸ Mr. Babbitt responded to Mr. Centers’ offer that same day.¹⁹ He reminded Mr. Centers that Ms. Hanson no longer worked at MTA, and he refused Coastal’s temporary grant offer because MTA had never requested a temporary grant from Coastal to use the FOX-KTBY signal, and the parties had not yet finalized the terms of the Retransmission Consent Agreement.²⁰

In this same e-mail, Mr. Babbitt informed Mr. Centers that MTA had collected feedback from many of its members regarding Coastal’s proposed rate hike for FOX-KTBY.²¹ Many of MTA’s members did not support the significant rate hike that Coastal was requesting (from \$[REDACTED] for FOX-KTBY in 2017 to \$[REDACTED] for FOX-KTBY in 2018).²² Given the MTA members’ displeasure at the proposed rate hike for FOX-KTBY programming, Mr. Babbitt offered to sign a one-year deal for \$[REDACTED] per subscriber per month for FOX-KTBY, or a two-year deal for FOX-KTBY at \$[REDACTED] in 2018 and \$[REDACTED] in 2019.²³ This offer was still well above the \$[REDACTED] that MTA paid for FOX-KTBY in 2017.²⁴

¹⁶ E-mail from Scott Centers to Carolyn Hanson and Jonathan Babbitt, dated December 30, 2017 (hereinafter Exhibit F).

¹⁷ During this time, the NFL playoffs were in full swing, and FOX was scheduled to air three games on January 7, 14, and 21, meaning that this extension would have done little to alleviate the pressure on MTA to reach a deal with Coastal.

¹⁸ *Id.*

¹⁹ E-mail chain between Jonathan Babbitt and Scott Centers, dated December 30, 2017-December 31, 2017 (hereinafter Exhibit G).

²⁰ *Id.*

²¹ *Id.*

²² Compare Exs. A & B, with Ex. D.

²³ Ex. G.

²⁴ See Ex. B.

The next day, Mr. Centers responded.²⁵ He acknowledged that MTA was not interested in a temporary grant, and he requested that MTA cut off the FOX-KTBY signal at 12:01 a.m. on January 1, 2018.²⁶ MTA stopped distributing Coastal's FOX-KTBY signal at 12:00 a.m. on January 1, 2018.

MTA and Coastal continued back-and-forth negotiations into 2018. On January 1, 2018, Mr. Centers e-mailed Mr. Babbitt a counteroffer, increasing Coastal's demand to \$[REDACTED] per subscriber per month in 2018, and \$[REDACTED] per subscriber per month in 2019 for FOX-KTBY.²⁷ Mr. Centers memorialized his offer in an attachment to his January 1, 2018 e-mail, but the terms outlined in the attachment (a price of \$[REDACTED] in 2018 and \$[REDACTED] in 2019 for FOX-KTBY) did not match the demand in Mr. Centers' e-mail. Mr. Babbitt pointed out this discrepancy in his reply to Mr. Centers and requested clarification on Coastal's counteroffer.²⁸ Mr. Babbitt also reminded Mr. Centers that MTA "is only interested in reaching a deal that protects [its] member owners."²⁹

Mr. Centers later responded and clarified that Coastal was demanding \$[REDACTED] for year one and \$[REDACTED] for year two.³⁰ After receiving the clarification from Mr. Centers, Mr. Babbitt informed him that MTA could not make a deal unless the price was "below \$[REDACTED] in 2018" and "well below \$[REDACTED] in 2019."³¹ Mr. Babbitt also reminded Mr. Centers that the parties were only negotiating for a FOX-KTBY signal—not a CW signal—and that the termination language MTA

²⁵ Ex. G.

²⁶ *Id.*

²⁷ E-mail chain between Scott Centers and Jonathan Babbitt, dated December 30, 2017-January 3, 2018 (hereinafter Exhibit H).

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

³¹ *Id.*

previously proposed must be included in any deal.³² Instead of substantively responding to the three MTA requirements that Mr. Babbitt had outlined, Mr. Centers' only reply was that he was waiting on a counter offer from MTA.³³

To clarify MTA's position for Mr. Centers, Mr. Babbitt responded and reiterated that MTA could not move forward unless Coastal provided a position on these three questions:

1. In order to move forward, we'll need to be below \$[REDACTED] in 2018 and well below \$[REDACTED] in 2019. Are you agreeable?
2. Per your previous email, we are negotiating Fox KTBY Channel 4 rates only. Are you agreeable?
3. We have proposed standard language added to section 7 regarding termination. Are you agreeable?³⁴

Once again, instead of responding to the three questions that Mr. Babbitt had presented, Mr. Centers sent an e-mail on January 3, 2018, that he "still need[ed] a counter offer."³⁵

On January 4, 2018, Coastal posted an article on their website, falsely claiming that Coastal offered MTA a 15-day extension for the FOX-KTBY signal, when in fact, the extension Coastal offered had only been 5 days.³⁶ On February 23, 2018, Coastal continued its social media campaign by posting a video on Facebook that repeated its narrative of events and instructed MTA viewers to contact Mr. Babbitt directly to urge MTA to obtain FOX-KTBY programming.³⁷ The Facebook video also published Mr. Babbitt's work contact information.³⁸ As of the date of this Answer, this video has been viewed approximately 27,000 times.³⁹

³² *Id.*

³³ *Id.*

³⁴ *Id.*

³⁵ *Id.*

³⁶ This article is no longer posted on Coastal's website so no hyperlink is available.

³⁷ This Facebook message, dated February 23, 2018, is available at <https://www.facebook.com/YourAlaskaLink/videos/1654628621287085/>.

³⁸ *Id.*

³⁹ *Id.*

On May 2, 2018, the parties resumed oral negotiations over the telephone. MTA again attempted to define the negotiation range, and Coastal again refused to agree to a defined range. On May 7, 2018, Mr. Babbitt sent Mr. Centers a follow-up e-mail to the parties' May 2, 2018 telephone conversation. Mr. Babbitt's e-mail set forth the following counter-offer terms:

Primary Affiliation of Retransmitted Feed	June 1, 2018 – May 31, 2019	June 1, 2019 – May 31, 2020
FOX - KTBV Channel 4	\$ [REDACTED]	\$ [REDACTED] ⁴⁰

Mr. Centers tried to respond to Mr. Babbitt's e-mail, but Mr. Babbitt did not receive any response from Mr. Centers due to a technical issue with MTA's e-mail server. The technical issue was resolved shortly thereafter, and Mr. Centers and Mr. Babbitt re-established e-mail correspondence in June 2018.

Since January 2018, MTA has hosted approximately 12 town hall product showcase meetings with its member owners, many of whom purchase video programming from MTA. During these meetings, MTA's members expressed their opposition to a substantial rate increase for FOX-KTBV programming. In light of this negative feedback for rate increases, Mr. Babbitt e-mailed Mr. Centers on June 21, 2018, to re-propose the same deal that MTA had offered on May 7, 2018, for FOX-KTBV, with the first year at \$ [REDACTED] per subscriber per month and the second year at \$ [REDACTED] per subscriber per month.⁴¹ Mr. Babbitt informed Mr. Centers that MTA was aware of Coastal's "Update" to MTA consumers on its website and the video posted to KTBV's Facebook page that included references to Mr. Babbitt's name, phone, and e-mail address. Mr. Babbitt told Mr. Centers that Coastal's advertising blitz had galvanized MTA's

⁴⁰ E-mail from Jonathan Babbitt to Scott Centers, dated May 7, 2018 (hereinafter Exhibit I).

⁴¹ E-mail chain between Scott Centers and Jonathan Babbitt, dated June 21, 2018-June 22, 2018 (hereinafter Exhibit J).

members to inform MTA that they “simply [did] not have an appetite for programming increases.”⁴²

On June 22, 2018, Mr. Centers responded to the offer and countered by demanding that MTA members pay \$[REDACTED] in year one per subscriber per month and \$[REDACTED] in year two per subscriber per month for FOX-KTBY.⁴³ To put this offer in perspective, Mr. Centers’ last negotiation position demanded that MTA’s subscribers pay more than a 102% increase and a 134% increase, respectively, over and above what MTA’s subscribers paid per month for FOX-KTBY in 2017.⁴⁴ MTA refused to accept this offer, and on June 22, 2018, Mr. Babbitt emailed Mr. Centers and stated that the parties were at an impasse.⁴⁵

On June 29, 2018, Coastal filed this Complaint with the Federal Communications Commission (“Commission” or “FCC”). After filing this Complaint, Coastal continued its social media blitz on July 6, 2018, by posting a Facebook message from Mr. Centers⁴⁶ and by posting another article on its website.⁴⁷ As of the date of this Answer, the Facebook message has been viewed approximately 30,000 times⁴⁸ and has attracted attention from national trade press.⁴⁹ In the Facebook message, Mr. Centers urged MTA’s members to switch to other subscription-based services that offer FOX-KTBY because Coastal alleges that MTA refused to negotiate in good

⁴² *Id.*

⁴³ *Id.*

⁴⁴ Compare Ex. B, with Ex. J.

⁴⁵ Ex. J.

⁴⁶ Coastal’s Facebook message, dated July 6, 2018, and time stamped 7:12 PM, is available at, <https://www.facebook.com/YourAlaskaLink/videos/1801649979918281/>. A transcript of the July 6, 2018 Facebook message from Mr. Centers is attached hereto as Exhibit K.

⁴⁷ *MTA Communications Receives FCC Good Faith Negotiation Complaint*, *Your Alaska Link.com*, dated July 6, 2018, available at http://www.youralaskalink.com/news/update-for-gci-customers/article_d5e8181e-f1c1-11e7-8644-8fdb4ce5d2c.html. A copy of this article is attached hereto as Exhibit L.

⁴⁸ Ex. K.

⁴⁹ See “Plenty of Programming Flare-Ups this Summer,” Cablefax, July 3, 2018. Available at: <http://www.cablefax.com/programming/plenty-of-programming-flare-ups-this-summer>.

faith with Coastal.⁵⁰ On July 6, 2018, Coastal also published an “update” on its website regarding its FCC Complaint against MTA.⁵¹ The purported updated posted on Coastal’s website quoted the FCC Complaint and included a message from Mr. Centers to MTA members:

We were shocked, disappointed and dismayed at MTA’s refusal to negotiate in good faith. In December 2017, we were discussing an arrangement where we had agreed to the cost in year one and were one nickel apart on the price of year two in a two-year agreement, when in early 2018, suddenly and arbitrarily, Jon Babbitt, MTA’s Director Product Marketing and Management, moved the negotiation difference by 1800%, refused an offer to carry programming during our effort to continue to negotiate, and refused to provide a counter-offer after our last offer to MTA. Even as late as June, Jon has been non-responsive in our attempts to re-enter negotiations . . .⁵²

Mr. Centers’ quote is riddled with inaccuracies. An 1800% price decrease between MTA’s original offer of \$[REDACTED] in 2018 and \$[REDACTED] in 2019 for the FOX-KTBY signal would have been (-) \$[REDACTED] and (-) \$[REDACTED], respectively. Mr. Babbitt never tried to negotiate a price difference anywhere near 1800%. MTA also provided numerous counter offers, and MTA continued to actively negotiate with Coastal in May and June of 2018.⁵³

V. COUNT I

6. As to Count I of the Complaint, the plain language of 47 U.S.C. § 325(b)(3)(C)(ii), 47 CFR § 76.65, and § 76.65(b)(1)(iii) speaks for itself.

7. MTA admits that both MTA and Coastal qualify as a Negotiating Entity within the meaning of 47 CFR § 76.65(b)(1).

⁵⁰ *Id.*

⁵¹ Ex. L.

⁵² *Id.*

⁵³ See Exs. H & J.

8. Coastal, as the Complainant in this good faith complaint, bears the burden of proof to show that MTA failed to negotiate in good faith and unreasonably delayed negotiations.⁵⁴

9. MTA denies that it violated § 76.65(b)(1)(iii), denies that it failed to negotiate in good faith, and denies that it unreasonably delayed negotiations with Coastal. The facts outlined above undermine Coastal's allegations and show that Coastal, not MTA, has been a bad actor throughout the course of the parties' negotiations.

10. Throughout months of negotiations, MTA's lowest offer for Coastal's FOX-KTBY signal was never less than 7.5% above what MTA paid Coastal for the FOX-KTBY signal in 2017. Once MTA's Retransmission Consent Agreement with Coastal expired, MTA revisited its bargaining position and solicited feedback from its members in response to Coastal's "Update" to MTA's members posted on its website and Coastal's Facebook message to MTA's members. Based on the feedback that MTA received from its members, MTA lowered its offer for the FOX-KTBY signal. MTA's loyalty lies first and foremost with its members, and MTA was under no obligation to resume the same bargaining position from the previous year. As previously demonstrated, Coastal's last bargaining position demanded that MTA's subscribers pay more than a 102% increase in year one and a 134% increase in year two over and above what MTA's subscribers paid per month for FOX-KTBY in 2017. MTA was under no obligation to accept such an outrageous demand, and MTA's refusal to do so was warranted by its member feedback and common sense.

11. Coastal and MTA disagree on the valuation of the FOX-KTBY signal. But as the FCC recently recognized earlier this year in the context of a good-faith complaint, "disagreement over the rates, terms, and conditions of retransmission consent – even fundamental disagreement – is

⁵⁴ *In the Matter of HITV License Subsidiary, Inc. v. DIRECTV, LLC*, Memorandum Opinion and Order, MB Docket No. 17-292, para. 4 (MB, Feb. 5, 2018) (citing 47 CFR § 76.65(d)).

not indicative of a lack of good faith.”⁵⁵ Likewise, in this case, MTA’s refusal to pay the inflated prices that Coastal demanded does not show that MTA failed to negotiate in good faith.⁵⁶ The evidence, in fact, shows the contrary. MTA worked with Coastal for months to negotiate a price for the FOX-KTBY signal and MTA’s “lowest” offer to Coastal was still a 7% increase above what MTA paid for FOX-KTBY programming in 2017.

VI. COUNT II

12. As to Count II of the Complaint, the plain language of 47 CFR § 76.65(b)(1)(v) speaks for itself.

13. MTA denies that it violated 47 CFR § 76.65(b)(1)(v). Specifically, MTA denies that it refused to provide an answer to Coastal’s offer for more than three months and denies that it failed to explain why it was rejecting Coastal’s proposals.

14. Coastal’s first allegation is that MTA refused to respond to a Coastal offer for a period of more than three months. This allegation is incorrect and unsupported in the record.

15. Coastal began to negotiate the Retransmission Consent Agreement a mere 23 working days before the Agreement was set to expire. Despite these time constraints, MTA reached out to Coastal on numerous occasions, without receiving an offer, until the end of November of 2017. When Coastal finally responded, MTA worked diligently with Coastal to arrive at a reasonable price for Coastal’s FOX-KTBY signal. Ultimately, the parties were unable to reach

⁵⁵ *In the Matter of HITV License Subsidiary, Inc.*, MB Docket No. 17-292, para. 7 (citing *Mediacom Communications Corporation v. Sinclair Broadcast Group, Inc.*, Memorandum Opinion and Order, 22 FCC Rcd 47, 50, para. 6 (MB, Jan. 4, 2007)).

⁵⁶ The FCC has addressed substantially similar facts to the one in this case and rejected a contention that the party refusing to accept a price negotiated in bad faith: “In the instant case, Northwest and DIRECTV *disagree on the market price* for Northwest’s signals. As the Commission has stated in the past, absent more, *such a disagreement leading to the inability to conclude a retransmission consent agreement does not amount to bad faith.*” *In the Matter of Northwest Broadcasting, L.P. et al. v. DIRECTV, LLC*, Memorandum Opinion and Order, MB Docket No. 15-151, 30 FCC Rcd. 12449, para. 11 (MB, Nov. 6, 2015) (emphasis added).

an agreement before the Retransmission Consent Agreement expired at 12:00 a.m. on January 1, 2018.

16. MTA did not fail to respond to Coastal for more than three months during the course of negotiations following the expiration of the Retransmission Consent Agreement, as Coastal alleges. The parties continued their negotiations into early January 2018. On January 3, 2018, Mr. Babbitt e-mailed Mr. Centers the parameters that MTA would require for the negotiations to continue. That same day, Mr. Centers responded but failed to recognize that MTA's proposed new parameters constituted a counter-offer. Instead of responding to MTA's proposed new parameters, Mr. Centers' demanded that MTA provide a counter offer. From January 3, 2018, to April 2018, the parties had no communication, and contrary to Coastal's contention, MTA had no obligation to continue to negotiate with Mr. Centers after he failed to respond to MTA's proposed new parameters.

17. Coastal also alleges that MTA failed to provide an adequate reason for refusing Coastal's offers. Once again, this allegation is incorrect and undermined by Coastal's own Complaint, which admits that MTA provided a valid reason for its rejection of Coastal's offer.

18. Throughout negotiations, MTA explained to Coastal that MTA's members were not interested in paying Coastal's proposed price increases for the FOX-KTBY signal. Coastal acknowledges in its Complaint that MTA explained this reasoning to Coastal, yet Coastal tries to characterize this explanation as inadequate. The feedback MTA received from its members was the best possible justification for MTA denying Coastal's proposed increases, and MTA received this feedback after it hosted approximately 12 town hall product showcase meetings with its member owners. Coastal's latest demand would have represented more than a 102% increase in year one and a 134% increase in year two over and above what MTA's subscribers paid per

month for FOX-KTBY in 2017. MTA members refused to pay this increase and did not have an appetite to pay for any other increase that Coastal proposed. It was reasonable for MTA to listen to its members' feedback and refuse Coastal's proposals, and the evidence shows that MTA properly informed Coastal of the basis for its rejection.⁵⁷

VII. COUNT III-TOTALITY OF THE CIRCUMSTANCES

19. As to Count III of the Complaint, the plain language of 47 CFR § 76.65(b)(2) speaks for itself.

20. For all of the reasons stated in Paragraphs 5-18 above, MTA denies that its actions during negotiations with Coastal violated the totality of the circumstances test in 47 CFR § 76.65(b)(2).

21. When evaluating whether a party's acts violated § 76.65(b)(2), the FCC recognized that "complaints which merely reflect commonplace disagreements encountered by negotiating parties in the everyday business world ***will be promptly dismissed by the Commission.***"⁵⁸ This Complaint falls within the category that warrants dismissal. At most, Coastal's Complaint shows that Coastal and MTA fundamentally disagree on the value of the FOX-KTBY signal. But disagreements over price are common in the business world, and the facts surrounding MTA's refusal to accept Coastal's price for FOX-KTBY do not support an allegation that MTA violated the totality of the circumstances test in 47 CFR § 76.65(b)(2).

⁵⁷ MTA's stated explanation of why it would not agree to the price increase is sufficient under 47 CFR § 76.65(b)(1)(v). *See In the Matter of Northwest Broadcasting, L.P. et al. v. DIRECTV, LLC*, Memorandum Opinion and Order, MB Docket No. 15-151, 30 FCC Rcd. 12449, para. 11 (MB, Nov. 6, 2015) ("The Commission stated in the *Good Faith Order* that one party to a retransmission consent negotiation must provide an explanation for rejecting the other party's offer but is not required to justify its explanations by document or evidence.").

⁵⁸ *In the Matter of HITV License Subsidiary, Inc.*, MB Docket No. 17-292, para. 11 (emphasis added).

22. From October 2017 to June 2018, MTA tried to negotiate a reasonable price for the FOX-KTBY signal with Coastal. Once the FOX-KTBY signal terminated on January 1, 2018, feedback from MTA's members affirmatively indicated that MTA's members did not want to accept the price increases that Coastal was demanding for the FOX-KTBY signal. After soliciting and receiving feedback from its members, MTA resumed negotiations with Coastal at a rate that was more palatable to its members. MTA's behavior throughout the course of its negotiations with Coastal never violated 47 CFR § 76.65(b)(2).

VIII. AFFIRMATIVE DEFENSES

1. Failure to State a Claim on Which Relief Can Be Granted

Coastal's claims are barred in whole or in part because they fail to state a claim upon which relief can be granted. Coastal has presented no evidence to show that MTA violated its duty to negotiate in good faith under 47 CFR § 76.65(b)(1)(iii), 47 CFR § 76.65(b)(1)(v), or 47 CFR § 76.65(b)(2). Failure to reach an agreement is not adequate grounds for a claim of bad faith negotiation.

2. Unclean Hands/Bad Faith

The plain evidence demonstrates that Coastal filed this Complaint with unclean hands. Since negotiations stalled between Coastal and MTA in early 2018, Coastal has authored a series of online articles and Facebook posts urging MTA's consumers to switch to other subscribers who offer the FOX-KTBY station and making it appear as though Coastal's allegations in the Complaint against MTA are facts. Coastal's social media and online article campaign against MTA has persisted even after this Complaint was filed. Coastal's website post on July 6, 2018, also flat-out lies about MTA's movement in negotiations, claiming that in early 2018, MTA "suddenly and arbitrarily . . . moved the negotiation difference by 1800%." The filing of this

Complaint was arguably done to gain additional leverage to reach an agreement on retransmission. The Commission has consistently held that carriers have no obligation to accept an unreasonable rate for a broadcast signal. Coastal's inappropriate appeals directed at MTA's members are nothing less than bad faith acts intended to manipulate MTA to accept an unreasonable rate. Neither the relevant regulations nor Commission precedent compel MTA to do so.

IX. REQUESTED RELIEF

MTA respectfully requests that the FCC dismiss this Complaint in its entirety, with prejudice, and award MTA the reasonable costs and attorneys' fees incurred in defending against this Complaint.

MOSS & BARNETT
A Professional Association

By: /s/ Shannon M. Heim

Dated: July 19, 2018

Shannon M. Heim (MN No. 0309771)
Kelly C. McGinty (MN No. 0396327)
150 South Fifth Street, Suite 1200
Minneapolis, MN 55402
Telephone: (612) 877-5000
shannon.heim@lawmoss.com
kelly.mcginity@lawmoss.com

**ATTORNEYS FOR DEFENDANT MTA
COMMUNICATIONS, LLC**

RETRANSMISSION CONSENT AGREEMENT

THIS RETRANSMISSION CONSENT AGREEMENT ("Agreement") is made and entered as of the 1st day of January 2015, by and between **Coastal Television Broadcasting Company LLC ("Station")**, with an office at 2700 East Tudor Road, Anchorage, Alaska 99507, and **MTA Communications, LLC ("Operator")**, with an office at 1740 South Chugach Street, Palmer, Alaska 99645. Hereinafter Operator and Station may individually be referred to as "**Party**", or collectively as "**Parties**".

WHEREAS, Station transmits the broadcast signals of Coastal Television Broadcasting Company LLC, KTBV-TV, FOX 4 ("KTBV"); and

WHEREAS, Operator owns and operates a closed loop Internet Protocol television system ("**System**") serving the Eagle River and Matanuska Valley areas; and

WHEREAS, Station and Operator desire to have KTBV's digital signal (the "**Signal**") retransmitted to Operator's subscribers over the System.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, the Parties agree as follows:

1. **Carriage**: Station hereby consents, pursuant to Section 325(b) of the Communications Act of 1934, as amended, and the rules and regulations of the Federal Communications Commission (FCC), to the retransmission of KTBV's primary Signal on a non-exclusive basis by Operator on the System, and Operator agrees to retransmit KTBV's primary Signal over the System without intended interruption or alteration during the term of this Agreement in accordance with the terms hereof. Such consent shall continue to be in effect throughout the Term unless otherwise terminated pursuant to the terms of this Agreement.

2. **Term**: The term of this Agreement shall commence on January 1, 2015, and shall continue until December 31, 2017, unless earlier terminated pursuant to the terms. At least ninety (90) days prior to the expiration of this Agreement, the Parties agree to meet for the purpose of negotiating a new agreement. The Parties agree to negotiate in good faith, but should the Parties be unable to reach agreement on the terms of a new agreement prior to expiration of this Agreement, the term of this Agreement will end on December 31, 2017.

3. **Channel Position/Nature of Signal Carried**: Operator agrees to carry KTBV's primary Signal on the System during the term of this Agreement to the extent specified herein. Technical carriage of KTBV's broadcast Signal otherwise shall be without degradation and in compliance with the FCC requirements as if Station had elected "must-carry" for its Signal. Carriage on the System shall be on channels dedicated solely to the full-time retransmission of KTBV's primary digital Signal. Operator will carry KTBV's Signal on cable channel 4 in the System on the basic cable tier of service. Notwithstanding anything to the contrary set forth above, Operator shall be obligated to retransmit the HD version of KTBV for reception only to its service subscribers in the Anchorage Designated Market Area technically capable of receiving said HD signal. Station shall be responsible for the generation of the HD version of the broadcast. Operator will carry said HD signal for the duration of this Agreement to its subscribers with an HD digital box.

4. **Consideration**: In consideration of the right to retransmit KTBV's Signal over the System, and in addition to the rights granted and obligations undertaken hereunder, as full and complete compensation for Operator's right to distribute the Signal of the Station, Operator must pay to the Station on a monthly basis within thirty days after the end of each month, a "**License Fee**" as follows for each Subscriber whom Operator authorizes to view the Signal for such month. Any partial months shall be prorated:

<u>Period</u>	<u>Monthly License Fee</u>
Year 1	
Year 2	



5. Indemnification: Station and Operator shall each indemnify, defend and forever hold harmless the other, the other's affiliated companies and their respective officers, directors, and employees (it being understood that Vision Alaska I LLC and Vision Alaska II LLC are not affiliated companies with respect to this provision), against and from all liabilities, claims, costs, damages and expenses (including, without limitation, reasonable attorneys' fees, disbursements and court and administrative costs) (collectively, "**Claims**") arising out of any material breach by either Party of any representation contained herein. Station shall further indemnify, defend, and forever hold harmless Operator, its affiliates, and their respective directors, officers, employees, agents, and representatives, from and against any and all Claims arising out of or related to the content of KTBV's Signal (including, but not limited, to all forms of programming and advertising spots), including, without limitation, any Claims based upon libel, slander, defamation, violation of any right of privacy or publicity, violation or infringement of copyright, (including music performance rights of any and all performances retransmitted to Operator's subscribers), literary or music synchronization rights, failure to obtain an appropriate license, royalty agreement, release, or assignment, false advertising, obscenity, or any other form or forms of unprotected speech, which are retransmitted by Operator without alteration in accordance with the terms of this Agreement.

6. Successors and Assigns: This Agreement shall be binding upon, and inure to the benefit of the Parties and their respective successors and permitted assigns. This Agreement shall not be assigned by either Party without the other Party's prior written consent, and any assignment in violation hereof shall be null and void and of no force or effect.

7. Additional System and Services: In the event that Operator desires to add KTBV's Signal to additional Operator Systems, Operator may elect to add such Systems to this Agreement, provided that Station possesses or obtains the legal authority to convey retransmission consent in the area where such additional Systems are located. Any additional Operator System that results from Operator's acquisition of such System which already has an agreement with Station or any of its affiliates will remain subject to those existing agreements. If Station commences distributing the Services as part of an "over-the-top" video distribution service (an "**OTT Service**"), and Operator has bona fide plans to launch a similar OTT Service, Station agrees to discuss with Operator the possible negotiation of distribution agreements for the inclusion of some or all of the Services in such OTT Service.

8. Termination: If either Party ("**Breaching Party**") materially breaches this Agreement or defaults in any of its obligations hereunder, and such breach or default is not cured within thirty (30) days after receipt of notice detailing such breach or default, the other Party ("**Non-Breaching Party**") may by further notice terminate this Agreement. If such breach or default necessitates a longer period to cure than thirty (30) days, then such cure period shall be extended for such time as is reasonably necessary to cure such breach or default, as applicable, but only so long as (i) such efforts to cure are commenced within fifteen (15) days of receipt of written notice from the Non-Breaching Party, and (ii) the Breaching Party proceeds diligently and in good faith to effect a cure.

9. Bankruptcy: In the event a petition for bankruptcy or for reorganization is filed by or against either Party under any Bankruptcy Act now or hereafter in force and is not dismissed within thirty (30) days (unless prohibited by law); or if either Party makes an assignment for the benefit of creditors, or if a receiver, trustee, liquidator or custodian is appointed for all or a substantial part of either Party's property, and the order of appointment is not vacated within thirty (30) days; or if either Party assigns or encumbers this Agreement contrary to the terms hereof; or if all or a substantial part of either Party's property is sequestered and the order of sequestration is not vacated within thirty (30) days, then the other Party shall have the right to terminate this Agreement at any time thereafter upon written notice thereof.

10. Representations and Warranties: Each Party represents and warrants that it (i) has the authority to enter into this Agreement and is able to perform its obligations hereunder; and (ii) holds all federal, state, and local licenses, authorizations, and regulatory approvals necessary to perform its obligations hereunder, and will maintain its good standing respecting such licenses, authorizations, and regulatory approvals on an uninterrupted basis throughout the term of this Agreement. Station further represents and warrants (i) that Station has secured any copyrights or other content rights relating to all programming provided to Operator for retransmission, including, but not limited to,

obtaining and executing all licenses, royalty agreements, music performance rights, releases, and assignments appropriate to broadcast media, and (ii) that Station has made a "retransmission consent" election with all operators (including Operator) retransmitting its Signal.

11. Reservation of Rights: This Agreement conveys to Operator only those rights that are expressly stated. All other rights with regard to KTBY broadcast signal not specifically granted herein are reserved to Station.

12. Force Majeure: Neither Party shall be liable for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: non-operation of facilities or equipment, non-furnishing of the broadcast signal(s), fire, explosion, power failure, acts of God, terrorist acts, war, revolution, civil commotion, or acts of a public enemy; or labor unrest, including, without limitation strikes, slowdowns, picketing or boycotts or delays caused by the other Party; or any other similar circumstances beyond the Party's reasonable control. In such event, the Party affected shall be excused from such performance on a day-to-day basis (and the other Party shall likewise be excused from performance of its obligations on a day-for-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use commercially reasonable efforts to avoid or remove the cause of nonperformance and both Parties shall proceed to perform with due diligence once the causes are removed or cease. Notwithstanding anything herein to the contrary, if any delay or non-performance described herein exceeds thirty (30) days, the Party owed such performance, shall have the right (but not the obligation) to terminate this Agreement without penalty or liability other than amounts owed as of the date of termination upon written notice to the other Party.

13. Confidentiality Clause: Unless by mutual written agreement, neither Party shall disclose to any third party other than its affiliates, employees, auditors, or legal advisors, the terms of this Agreement; except, however, that either Party may disclose any terms herein (i) to any potential acquiring party conducting due diligence under a duly executed nondisclosure agreement; (ii) to any third party that has entered into a joint operating agreement with Station, and who shall be subject to the confidentiality provisions herein; and (iii) as may be necessary by a Party to comply with applicable law and to administer and enforce this Agreement.

14. Notices: All notices, demands and other communications required or permitted hereunder shall be made in writing and shall be deemed to have been duly given if delivered by hand or mailed, postage prepaid, certified or registered (return receipt requested), or sent by recognized overnight courier, and addressed to:

If to Station:

KTBY Fox 4
Coastal Television Broadcasting Co., LLC
2700 E. Tudor Rd.
Anchorage, AK 99503
Attn: Scott Centers, General Manager

If to Operator:

MTA Communications, LLC
1740 S. Chugach St.
Palmer, AK 99645
Attn: Contract Administration

With a copy to:

MTA Communications, LLC
1740 S. Chugach St.
Palmer, AK 99645
Attn: Carolyn Hanson, General Manager

15. Severability: If any provision of this Agreement is determined to be unenforceable or invalid under any applicable law or is so held by applicable court decision, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole, and such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law or applicable court decisions.

16. Counterparts: This Agreement may be executed in two or more counterparts, each of which shall be considered an original, but all of which together shall constitute the Agreement. Delivery of an executed counterpart by electronic transmission shall be equally effective as delivery of a manually executed counterpart to this Agreement.

17. Headings: The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.


18. Survival of Obligations. Any liabilities or obligations of a Party for acts or omissions prior to the expiration or termination of this Agreement, any obligation of a Party under the provisions regarding indemnification, confidential information, limitations on liability, and any other provisions of this Agreement which, by their terms, are contemplated to survive (or to be performed after) expiration or termination of this Agreement, shall survive expiration or termination thereof. However, any claims, liabilities or obligations of either Party arising out of or relating to prior agreements between the Parties or any transmission of signals prior to the date of this Agreement are hereby waived.

19. Governing Law: This Agreement and all acts, transactions, rights, and obligations relating thereto shall be governed by and construed under the laws of the State of Alaska, without regard to conflict of law principles. All disputes shall be resolved exclusively in the appropriate federal or state court located in Alaska's Third Judicial District.

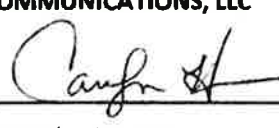
20. Entire Agreement: This Agreement constitutes the entire agreement and understanding between the Parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous, express or implied, written or oral agreements, representations and conditions between the Parties with respect thereto. This Agreement shall be governed by and construed under and in accordance with the laws of Alaska, and be subject to applicable provisions of the Communications Act, as amended, and applicable rules, regulations and orders of the FCC. This Agreement may not be amended or altered in any way except in a writing executed by an authorized representative of each Party.

IN WITNESS WHEREOF, the authorized representatives of the Parties have executed this Agreement on the dates shown below but effective for all purposes as of the Effective Date.

COASTAL TELEVISION BROADCASTING COMPANY, LLC

By: 
 Name: Scott Centers
 As its: General Manager
 Date: 12/8/14

MTA COMMUNICATIONS, LLC

By: 
 Name: Carolyn Hanson
 As its: General Manager
 Date: 12/8/14



MTA

FIRST AMENDMENT

THIS AMENDMENT is made and entered as of the 11th day of February, 2016 by **Matanuska Telephone Association, Inc. ("MTA")**, with a place of business at 1740 South Chugach Street, Palmer, Alaska 99645, and **Coastal Television Broadcasting Company LLC ("station")**, with a place of business at 2700 East Tudor Road, Anchorage, Alaska 99507.

WHEREAS, the Parties entered into a Retransmission Consent Agreement ("**Agreement**") on the 1st day of January, 2015 and the Parties now desire to amend the Agreement for the purpose of establishing Monthly License Fees for 2017.

NOW, THEREFORE, the Parties agree to amend the Agreement subject to the following terms and conditions:

- (1) The effective date of this Amendment shall be January 1, 2016.
- (2) Add monthly license fee to Section 4 (Consideration) Year 3 to [REDACTED]
- (3) All other terms and conditions of the Agreement remain unchanged and shall continue in full force and effect.

IN WITNESS WHEREOF, the Parties, acting under due and proper authority, have executed this Amendment as of the first date written above.

MATANUSKA TELEPHONE ASSOCIATION, INC.

By: [Signature]

Name: Carolyn Hanson

Title: Director -Sales & Marketing

DATE: 2-17-18

Coastal Television Broadcasting Company, LLC

By: [Signature]

Name: Jeff Centos

Title: COO

Date: 2-12-16



From: Jonathan Babbitt <jbabbitt@mta-telco.com>
Sent: Monday, November 06, 2017 3:01 PM
To: bfielder@youralaskalink.com
Subject: RE: MTA Renewal Agreement

Good afternoon, Bill. Are you available for a phone call on Wednesday, November 8 at 9:00 AM. Our current agreement expires on 12/31 and we'd like to get the ball rolling on negotiating the renewal.

Thank you,

Jonathan Babbitt
Director, Product Management & Marketing
907.205.1288 Mobile
907.761.2612 Office



From: Jonathan Babbitt
Sent: Friday, October 27, 2017 8:00 AM
To: 'bfielder@youralaskalink.com' <bfielder@youralaskalink.com>
Subject: RE: MTA Renewal Agreement

Good morning, Bill. Have you had an opportunity to review my email below? Please feel free to contact me, or have a member of your staff contact me, at 907-205-1288.

Thank you,

-JB

From: Jonathan Babbitt
Sent: Wednesday, October 18, 2017 2:34 PM
To: 'bfielder@youralaskalink.com' <bfielder@youralaskalink.com>
Subject: MTA Renewal Agreement

Good afternoon, Bill. MTA received KTBV's retransmission consent election letter dated 9/28/17. Please let me know when you'd like to set up a meeting, or phone call, to start working through the renewal agreement.

Best Regards,

Jonathan Babbitt
Director, Product Management & Marketing
907.761.2612 Office
907.205.1288 Mobile

From: Scott Centers <scenters@youralaskalink.com>
Sent: Wednesday, December 06, 2017 10:24 PM
To: Jonathan Babbitt
Subject: RE: MTA Renewal Agreement

Confirmed, please call my cell @ 907-444-6461.
Until then, good night
Scott

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
scenters@youralaskalink.com
907-444-6461

From: Jonathan Babbitt [mailto:jbabbitt@mta-telco.com]
Sent: Wednesday, December 06, 2017 7:08 PM
To: Scott Centers <scenters@youralaskalink.com>
Subject: Re: MTA Renewal Agreement

2pm works for me.

Jonathan Babbitt
(907) 205-1288
jbabbitt@mta-telco.com
Sent from my iPhone

On Dec 6, 2017, at 7:04 PM, Scott Centers <scenters@youralaskalink.com> wrote:

Hi Jonathan,
I am just now reading this email have already scheduled 1pm.
I did tell you anytime, so if that is the only time that works for you ok, I will make my 1pm appt wait.
If you are able, either 12:30 or 2pm would be more accommodating for me.
Thanks so much,
Scott

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
scenters@youralaskalink.com
907-444-6461

From: Jonathan Babbitt [<mailto:jbabbitt@mta-telco.com>]

Sent: Wednesday, December 06, 2017 6:00 PM

To: Scott Centers <scenters@youralaskalink.com>

Subject: RE: MTA Renewal Agreement

Understood, on the CW. We are on the same page there.

I believe we can get this buckled up quickly.

If your sticking point is [REDACTED] in year 2, I need some relief in year 1 – at [REDACTED]

Happy to speak tomorrow 1 PM AK time at 907-761-2612.

Jonathan Babbitt

Director, Product Management & Marketing

907.205.1288 Mobile

907.761.2612 Office

<image002.jpg>

From: Scott Centers [<mailto:scenters@youralaskalink.com>]

Sent: Wednesday, December 6, 2017 3:04 PM

To: Jonathan Babbitt <jbabbitt@mta-telco.com>

Subject: RE: MTA Renewal Agreement

Hi Jonathan,

I did not ask for any movement on year one.

I will accept your offer for year one as long as we are at [REDACTED] for year two.

Should you like to have a phone call, I will be available tomorrow afternoon (AK Time), just let me know a time and number.

One point of order, is that the CW, while listed on our pricing is actually not in play as there is no CW on the KTBY signal nor is it foreseeable.

Things change, however, I do not see a CW on that signal within the next two years.

We are working on the FOX station only.

Thank you,

Scott

Scott Centers

Chief Operating Officer

Coastal Television

Anchorage, Alaska

scenters@youralaskalink.com

907-444-6461

From: Jonathan Babbitt [<mailto:jbabbitt@mta-telco.com>]

Sent: Tuesday, December 05, 2017 3:27 PM

To: Scott Centers <scenters@youralaskalink.com>

Subject: RE: MTA Renewal Agreement

I avoided low-balling you in our counter because I also want to wrap this up; however, MTA doesn't particularly like where we are in either year.

That being said - If you'd like us to move in year 2, we'll need you to move in year 1. Otherwise, accept our original counter and let's put this to bed.

-JB

From: Scott Centers [<mailto:scenters@youralaskalink.com>]
Sent: Tuesday, December 5, 2017 2:58 PM
To: Jonathan Babbitt <jbabbitt@mta-telco.com>
Subject: RE: MTA Renewal Agreement

Thanks Jonathan,
I like where we are at in year one and need to be at [REDACTED] in year two. I did not high ball you but came straight to the number so we can wrap up.
Scott

From: Jonathan Babbitt [<mailto:jbabbitt@mta-telco.com>]
Sent: Tuesday, December 05, 2017 2:32 PM
To: Scott Centers <scenters@youralaskalink.com>
Subject: RE: MTA Renewal Agreement

I will agree to [REDACTED] in year two, if you move to [REDACTED] in year 1.

-JB

From: Scott Centers [<mailto:scenters@youralaskalink.com>]
Sent: Tuesday, December 5, 2017 2:27 PM
To: Jonathan Babbitt <jbabbitt@mta-telco.com>
Subject: MTA Renewal Agreement
Importance: High

Hi Jonathan,
Let's go to [REDACTED] in year two and we are done.....
Sound good?
Thanks
Scott

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
scenters@youralaskalink.com
907-444-6461

From: Jonathan Babbitt [<mailto:jbabbitt@mta-telco.com>]
Sent: Friday, December 01, 2017 12:41 PM
To: Scott Centers <scenters@youralaskalink.com>
Subject: RE: MTA Renewal Agreement

Thank you, Scott for your email. I had a nice conversation with Bill before the holiday and have been looking forward to receiving your first contact.

MTA' counter:

1. Rate (per subscriber per month):

Primary Affiliation of Retransmitted Feed	2018	2019
FOX - KTBV		
CW Network		
Independent Channel		
Other		

2.) Section 7. Termination: ADD

(c) "Without limitation to any other termination right granted in this Agreement, this Agreement may be terminated by Operator if Operator discontinues operation of the Systems and Operator no longer provides video service to any customer, or by Station Group with respect to Station if such Station is no longer operating or transmitting."

We'll look forward to your response, a quick resolution and our continued positive relationship.

V/R,

Jonathan Babbitt
Director, Product Management & Marketing
907.205.1288 Mobile
907.761.2612 Office

<image003.jpg>

From: Scott Centers [<mailto:sccenters@youralaskalink.com>]

Sent: Tuesday, November 28, 2017 8:17 PM

To: Jonathan Babbitt <jbabbitt@mta-telco.com>

Subject: MTA Renewal Agreement

Importance: High

Be wary of unsolicited attachments, even from people you know - If something seems suspicious you may want to check with the person who supposedly sent the message to make sure it's legitimate before opening any attachments.

Hi Jonathon,
Please find the requested retransmission document for Coastal Television Broadcasting Company LLC attached. I am unavailable tomorrow outside of email, however, back in the game full swing on Thursday.
Regards,
Scott

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
sccenters@youralaskalink.com
907-444-6461

RETRANSMISSION CONSENT AGREEMENT

This RETRANSMISSION CONSENT AGREEMENT (this “**Agreement**”) is made as of [DATE] (“**Effective Date**”), by and between **Broadcaster** (as defined below), which owns, operates, and/or has authority to grant retransmission consent for the television station or stations listed in Exhibit A attached hereto (collectively, the “**Stations**,” and individually, a “**Station**”) and **Operator** (as defined below).

BROADCASTER: Coastal Television Broadcasting Company LLC

OPERATOR: [CABLE OPERATOR]

TERM: Effective Date to December 31, 2019, unless earlier terminated pursuant to the provisions of this Agreement

SUBSCRIBERS: All individual end user locations (both residential and commercial) authorized by Operator to receive video programming through any portion of a System. As of the date of this Agreement, the total number of Subscribers is _____.

Subject to the terms and conditions of this Agreement, Broadcaster hereby grants to Operator the non-exclusive right to retransmit each Broadcast Signal, each in its entirety, to each television set of each Subscriber that is connected to a System as defined herein. Operator shall have no right or obligation to retransmit any portion of the Broadcast Signal to any receiver to which Broadcaster has not granted consent in the foregoing sentence. Broadcaster and Operator acknowledge that Broadcaster elected retransmission consent with respect to each portion of the System and each portion of the Broadcast Signal for any election cycle covered by any portion of the Term hereof.

In consideration of the foregoing and of the mutual covenants and agreements set forth in this Agreement, the parties agree to the terms and conditions set forth herein, including Exhibit A and Exhibit B, both of which shall be considered a part of this Agreement for all purposes and may not be modified without the prior written consent of each party hereto.

BROADCASTER:

OPERATOR:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

EXHIBIT A

A. Notices:

	BROADCASTER	OPERATOR
COMPANY	COASTAL TELEVISION BROADCASTING COMPANY LLC	Operator Provide
ADDRESS	2700 E. TUDOR RD.	Operator Provide
CITY, STATE, ZIP	ANCHORAGE, AK 99507	Operator Provide
CONTACT NAME	SCOTT CENTERS	Operator Provide
CONTACT PHONE	907-561-1313	Operator Provide

B. Rate (per subscriber per month):

Primary Affiliation of Retransmitted Feed	January 1, 2018- December 31, 2018	January 1, 2019- December 31, 2019
Big 4 Network		
CW Network		
MyNetwork		
Independent Channel		
Other		

1. **“Big Four Network”** shall mean the ABC, NBC, CBS, and FOX television networks.
2. **“Independent Channel”** shall mean the Primary Channel for a Station if such Primary Channel is not affiliated with a Big 4 Network or the CW or MyNetworkTV.
3. **“Other”** shall mean any Retransmitted Feed that is not affiliated with a Big Four Network, the CW network or MyNetworkTV and is not an Independent Channel.
4. As used in this Agreement, each reference to a network shall include any successor or replacement networks thereto.

C. Station(s) and System(s):

1. Unless the context requires otherwise, references to a Station or the Station shall refer only to those particular Stations that are assigned to the same Designated Market Area (“DMA”) as a System (or portion of a System) or are carried by a System pursuant to the terms of this Agreement in areas in the State of Alaska that are outside of any DMA. The System(s) covered by this Agreement are listed below. Operator shall furnish to Broadcaster a revised list, including any Subsequently Acquired Systems (as defined in Section 1(g)), within thirty (30) days of any additions or other permitted modifications thereto. Regardless of whether such notice is provided, Broadcaster shall have the right to add any Subsequently Acquired System to this Agreement effective upon qualifying as a System.

STATION	DMA	STATION VIRTUAL CHANNEL	SYSTEM	CURRENT NUMBER OF SUBSCRIBERS	CHANNEL	
					ANALOG/ SD TIER	HD TIER
KTBV	Anchorage and all geographic areas of Alaska.	[4]-D1 / [FOX]	Operator Provide	Operator Provide	Operator Provide	Operator Provide
					Operator Provide	Operator Provide

EXHIBIT B

Standard Terms and Conditions

1. Definitions.

(a) **“Broadcast Signal”** means, in each case, the digital broadcast signal of the applicable Station (including video, accompanying audio, and Program Related Material) in a form compliant with Advanced Television Systems Committee (**“ATSC”**) standards, which includes at least one channel containing high-definition format (as defined by the ATSC) video and audio programming, and, at Broadcaster’s sole discretion, also may include one or more additional channels of video and audio programming, whether in high-definition format or otherwise (each, a **“Multicast Channel”**).

(b) **“HD Broadcast Stream”** means any program stream of any broadcast station that is broadcast in high definition format.

(c) **“Primary Channel”** means any program transport feed within a Broadcast Signal that has been designated by Broadcaster as such Station’s “primary channel” consistent with Federal Communications Commission (**“FCC”**) and industry standards.

(d) **“Program-Related Material”** means (i) closed-captioning information and video description; (ii) program identification codes, watermark(s), redistribution control information and/or copy control information; (iii) program ratings information; (iv) up to one second language audio for the program then being broadcast; (v) such other material as may be essential to or necessary for the delivery or distribution of the Broadcast Signal; (vi) information and material directly associated with specific programming and/or commercial advertisements contained in a Station’s broadcast program schedule, if such information or material is transmitted concurrently or substantially concurrently with its associated programming and/or commercial advertisement, including material transmitted in ATSC 2.0 format; and (vii) any material that Operator is required to retransmit by the FCC or other applicable law.

(e) **“Retransmitted Feed”** means each program stream within a Broadcast Signal that is, or that is required to be, retransmitted by the applicable System.

(f) **“SD Broadcast Stream”** means any program stream of any broadcast station that is broadcast entirely in standard definition digital format.

(g) **“System”** means each video programming distribution system owned and/or operated by Operator at any time during the Term hereof (as may be modified or extended) that (i) makes available “multiple channels of video programming” (as defined in Section 602 of the Communications Act of 1934, as amended, and in applicable FCC rules and policies) through traditional cable, MMDS, MDS, SMATV, DSL and/or internet protocol technology to residential and/or commercial locations via closed signal paths to the Operator’s customers; (ii) qualifies as a “cable system” under 17 U.S.C. § 111(f); and (iii) serves areas located within (1) a Station’s DMA, (2) any areas located within the State of Alaska that are outside of any DMA, or (3) with respect to Stations whose Primary Channel is affiliated with ABC, NBC, or CBS, areas where the Station is deemed “significantly viewed” under FCC rules, in all cases regardless of any pre-existing retransmission consent agreement as to the Station. Notwithstanding anything to the contrary, the term “System” shall not include any distribution system (whether now existing or hereinafter invented) that is not included in the foregoing definition, including any distribution system utilizing the public Internet or other broadband or ancillary wireless service provided by Operator. Each System that is acquired or built by Operator subsequent to the date hereof, or that otherwise qualifies as a System pursuant to this paragraph, shall be a **“Subsequently Acquired System.”** Operator

warrants that each System that retransmits or is required to retransmit any portion of a Broadcast Signal is listed, along with the franchise or operating areas it serves, on **Exhibit A** attached hereto.

(h) As used in this Agreement, the term "Broadcast Signal" specifically excludes any content, information or material which Broadcaster or the Station makes available on a subscription basis; any data-casting, ancillary or supplementary services or other non-broadcasting services; any material transmitted in ATSC-M/H standard; or, except for material constituting Program-Related Material, material which would not be received by standard television reception devices receiving a Broadcast Signal off-the-air.

2. Retransmission of Broadcast Signal

(a) *General Obligation.* Provided that a System headend then receives (at Operator's expense) a Broadcast Signal from the originating Station (including via translators or other alternative means) that meets or exceeds the good quality signal standard (as defined by the FCC), then such System shall retransmit such Broadcast Signal on its most widely available tier of service to each television set and/or set-top box of each Subscriber that is connected directly and lawfully to the wired infrastructure of each System pursuant to the terms of this Agreement.

(b) *Analog Tier.* A System that retransmits any television broadcast signal in analog format shall down-convert to analog format the Station's Primary Channel(s) and any Big 6 Multicast Channel and retransmit such down-converted signal(s) on the channel number(s) listed in Exhibit A (or, if not listed in Exhibit A, then on the Station's FCC virtual channel, for a Primary Channel or on a channel number contiguous to the signals of other local broadcast stations, if a Big 6 Multicast Channel). Conversely, a System that does not retransmit any television broadcast signal in analog format shall have the right, but not the obligation, to down-convert the Station's Primary Channel or Big 6 Multicast Channel to analog format and retransmit such down-converted signal(s) on the channel number(s) listed in Exhibit A (or, if not listed in Exhibit A, then on the Station's FCC virtual channel, for a Primary Channel or on a channel number contiguous to the signals of other local broadcast stations, if a Big 6 Multicast Channel). All such retransmission shall occur on the level of analog basic service tier and otherwise shall be available and viewable by all Subscribers capable of receiving analog programming. "Big 6 Multicast Channel" shall mean any Multicast Channel that is affiliated with ABC, NBC, CBS, FOX, CW, or MyNetworkTV (each such network, a "Big 6 Network").

(c) *Digital Tier.* A System that does not then retransmit any other broadcast station's programming in digital format shall have the right, but not the obligation, to retransmit a Broadcast Signal in digital format. A System that then retransmits any other broadcast station's programming in digital format shall comply with each of the following requirements:

(i) A System that retransmits in high definition digital format any HD Broadcast Stream shall retransmit in high definition format each program stream within a Broadcast Signal that is delivered to Operator in high definition format.

(ii) A System that retransmits in standard definition digital format any HD Broadcast Stream shall down-convert each program transport stream within a Broadcast Signal that is broadcast in high definition format and retransmit in standard definition format such down-converted program stream. For the avoidance of doubt, this down-conversion obligation shall be in addition to, and not in lieu of, Operator's obligation (if any) in Section 2(c)(i).

(iii) A System that then retransmits in standard definition digital format any SD Broadcast Stream shall retransmit in standard definition format each program stream within a Broadcast Signal that is broadcast entirely in standard definition format; provided, however, that such System shall

have the right, but not the obligation, to retransmit in standard definition digital format any program stream that Operator also retransmits in analog format pursuant to Section 2(b).

(iv) Each Retransmitted Feed that is retransmitted in digital format shall be carried in the same channel neighborhood and level of service as other comparable (*e.g.*, same genre) program transport streams of other retransmitted television stations that are broadcast in the same format (*i.e.*, standard definition or high definition) and shall appear on a channel selected by the System in a manner that is comparable to and non-discriminatory with respect to the manner in which such System selects channel positions for other comparable local broadcast program streams. Notwithstanding anything to the contrary herein, Operator shall retransmit each Station's Primary Channel in standard definition format on the channel position specified in Exhibit A, and Operator shall retransmit each Retransmitted Feed that is affiliated with a Big 6 Network in the same channel neighborhood as other program streams affiliated with the Big 6 Networks.

(d) *Exceptions.* Notwithstanding anything to the contrary herein, Operator shall have no obligation to retransmit any Multicast Channel that contains content that substantially duplicates the content of a then-existing cable television programming service retransmitted on the System.

3. Manner of Retransmission

(a) If a System retransmits any portion of the Broadcast Signal, such System shall retransmit each Retransmitted Feed in its entirety, without editing, time delay, interruption, alteration, superimposition, acceleration, or deletion, and otherwise in the technical manner required for digital must-carry stations, except as may be required by the FCC and except as otherwise permitted under this Agreement. Each Retransmitted Feed shall appear, from the viewer's perspective, to be a separate channel. Under no circumstances shall Operator remove any electronically-generated (by a Chyron or other graphics generating equipment) network, Station or program logos and/or identifiers contained within any portion of a Broadcast Signal.

(b) Each System shall comply with all then-applicable FCC rules and technical standards agreed upon by the National Cable & Telecommunications Association and the Consumer Electronics Association. In all cases, Operator shall ensure that the quality of each Retransmitted Feed on each System is not materially lower than that of the corresponding digital broadcast signal of any other retransmitted television station (but in no event shall the signal quality of a Station as retransmitted by a System be required to be superior to the quality of such signal as received by such System from the Station).

(c) When Operator down-converts any portion of a Broadcast Signal, Operator shall use commercially reasonable efforts to ensure that the resulting picture of any such down-conversion does not omit any content of the original picture (except that operator may center cut the picture), does not materially distort the content of the original picture, and does not have a lower quality audio or picture than the down-converted signal of any other retransmitted television station.

(d) Operator shall have the right to remodulate each Retransmitted Feed to (i) transcode the Broadcast Signal to QAM format for retransmission over each System and (ii) statistically multiplex each Retransmitted Feed with other digital feeds within a single 6 MHz channel, provided that any such remodulation, transcoding or multiplexing does not materially degrade or interfere with the video and audio quality of the Broadcast Signal or reduce the data flow included in such Retransmitted Feed, and provided further that Operator shall not down-convert the digital resolution format of any Retransmitted Feed to a lower resolution format (except to the extent specifically required herein).

(e) In the event that a party discovers a signal strength or signal quality deficiency, such party shall notify the other party's chief operator/engineer as soon as reasonably practical by telephone, and the party responsible for such issue shall undertake commercially reasonable efforts to rectify the matter as soon as reasonably possible; provided, that a party's failure to notify the other party as set forth herein shall not constitute a breach hereunder so long as such party, if applicable, undertakes such corrective efforts.

4. Additional Terms.

(a) Operator shall afford each Station the full extent of network non-duplication and syndicated exclusivity for each Retransmitted Feed to the maximum extent permitted under the FCC's rules as such rules existed on Effective Date, regardless of whether such rules are subsequently modified or repealed, without any further notice from Broadcaster. To the full extent permitted by the FCC's rules and subject to applicable law and franchise regulations, the parties agree that Operator shall not force-tune, preempt, override, interrupt, or alter Emergency Alert Service ("EAS") messages, news, or weather related emergency information that a Station provides through or during a System's transmission of a state or local EAS message or alert over any channel that is retransmitted in analog format or, to the extent technically feasible, over any channel that is retransmitted in digital format.

(b) If Operator maintains an electronic programming guide over which Operator has editorial control and that is primarily intended to be viewed on television sets, the call letters, logo, and program schedule for each Retransmitted Feed shall be included in such guide in a manner reasonably comparable to those of other local broadcast television stations distributed by the System (if the Station provides Operator with such comparable information and data). To the extent Operator provides search functionality for video programming that includes programming from one or more Retransmitted Feeds, such functionality shall be based on objective, content neutral criteria and algorithms and shall not favor any network or programmer.

(c) During the term of this Agreement, Broadcaster (or any entity controlling, controlled by or under common control with Broadcaster) may acquire, manage, program, or otherwise obtain the right to grant retransmission consent for a television station not currently listed in Exhibit A (an "**Additional Station**"). Effective as of the date upon which such Additional Station first becomes an Additional Station, Broadcaster shall have the right, in its sole discretion, to add such Additional Station to Exhibit A hereto and include it as a Station hereunder upon notice to Operator. Upon the addition of any such Additional Station as a Station hereunder, any system that qualifies as a System hereunder with respect to such Additional Station shall be added to Exhibit A as a System, and any other agreement with respect to such Additional Station to which Operator is a party shall be deemed terminated with respect such System and such Additional Station, notwithstanding anything contained in any such other agreement.

(d) If, during the Term, the network or major program supplier for a Retransmitted Feed challenges or restricts Broadcaster's right to grant consent for a System to retransmit, in whole or in part, the network or program supplier's programming, Broadcaster shall have the right to terminate its consent, in whole or in part, with respect to such Retransmitted Feed and System on thirty (30) days written notice.

5. Fees.

(a) Operator shall pay to Broadcaster a monthly fee (the "**Rights Fee**") during the Term which shall be calculated by multiplying the Rate set forth in Exhibit A for each Retransmitted Feed by the average number of Subscribers to which Operator retransmits such Retransmitted Feed during the calendar month. The average number of Subscribers in a month shall be equal to the number of

Subscribers on the first day plus number of Subscribers on the last day of the month, divided by two. The Rights Fee shall be pro rated for any period constituting less than one full calendar month.

(b) For the avoidance of any doubt, a Subscriber that receives from a System multiple Retransmitted Feeds shall be counted separately for each Retransmitted Feed. For example, if a System retransmits a Retransmitted Feed affiliated with ABC and an additional Retransmitted Feed of the same Station that is affiliated with Fox, then the Rights Fee shall be the sum of the fee due for the ABC Retransmitted Feed plus the fee due for the Fox Retransmitted Feed. The number of Subscribers per multiple dwelling complex (such as apartments, hotels, motels, hospitals, and universities) shall equal the total monthly bulk-rate charged by Operator to the pertinent complex for the level of service containing the Broadcast Signal, *divided by* the basic monthly rate charged by Operator for the comparable level of service to residential Subscribers, except that (i) the number of Subscribers in any complex shall never be less than one, and (ii) each individual unit of a multiple dwelling complex that receives a separate bill or invoice from a System for the level of service that includes a Broadcast Signal shall be deemed an individual Subscriber.

(c) Payment of the Rights Fee for each month shall be made no later than thirty (30) days following the end of the month for which payment is due to the address provided for Broadcaster in **Exhibit A**. With each payment of the Rights Fee, Operator shall provide a monthly statement, certified by an authorized representative of Operator, that accurately identifies, to the best of Operator's knowledge, the number of customers who qualify as Subscribers under this paragraph on each System subject to this Agreement. The acceptance by Broadcaster of reports and payments shall not be deemed an acceptance of the accuracy of such reports or as a waiver of any rights hereunder. Operator shall keep true and accurate books and records directly relating to the consideration for a period of one year following the expiration of the Term. Broadcaster or its authorized representative shall have the right to inspect and copy any such books and records kept by Operator pursuant to this Agreement at Operator's offices, during normal business hours, upon ten days' prior written notice. Past due payments shall bear interest at a rate that is the lower of one and a half percent per month or the highest interest rate allowed by law. Operator shall be liable for all reasonable costs and expenses (including, without limitation, reasonable attorneys' fees) incurred by Broadcaster in collecting any past due payments.

(d) Neither party hereto shall charge or seek to charge any System Subscriber a separate fee for receipt of or the ability to view all or any portion of the Broadcast Signal without the prior written consent of the other party hereto. The parties agree that a charge levied by Operator for a set-top box, decoder and/ or other hardware or equipment, for installation, or for the tier, level or package on which any of the Broadcast Signals, is retransmitted shall not be considered a "fee" for purposes of this Section.

6. Reservation of Rights.

(a) This Agreement conveys to Operator only those rights that are expressly stated herein. Nothing herein shall affect any other rights that a Station may have in relation to Operator or the Systems, including but not limited to syndicated exclusivity or network non-duplication rights. As between Broadcaster and Operator, all rights in and to the programming delivered hereunder, including, but not limited to, the Station's programming, copyright, trademarks, service marks and all other proprietary rights not specifically granted to Operator (but excluding any intellectual property of Operator or its affiliates that may be included therein), are reserved to Broadcaster for its exclusive use. Broadcaster hereby authorizes Operator to use the service marks, trademarks, trade names and logos of the Station(s) in printed or electronic program guides, program listings, channel line-ups, web sites, bill stuffers and other promotional materials, unless Broadcaster specifically notifies Operator to the contrary.

(b) It shall remain the obligation of Operator to ensure, and Operator warrants that it will so ensure, that Operator's retransmission of all copyrighted programs included in the Broadcast Signal is appropriately licensed for retransmission on the Systems under 17 U.S.C. §111 or otherwise.

(c) Except as otherwise set forth in this Agreement, Operator shall not, for pay or otherwise, record, copy, duplicate and/or knowingly authorize the recording, copying, duplication or retransmission of any portion of the Broadcast Signal or any other programming provided to Operator hereunder without Broadcaster's prior written permission. Operator shall notify Broadcaster if it becomes aware of a third party performing such unauthorized recording, copying, duplication or retransmission, other than for private home use. Nothing in this Agreement shall restrict or be deemed to approve of Operator's practice of providing Subscribers with set-top boxes, digital video recorders and other devices and cable network functionalities and/or establishing connections to Subscribers' consumer electronics devices, including without limitation those that are intended for duplication of video or audio programming, or to provide subscribers with VCR-like functionality to the extent permitted by then-existing law without any license from Broadcaster, its program suppliers or any other party, which such license is expressly not granted herein. For the avoidance of doubt, nothing in this Agreement shall be construed as granting to Operator any license from Broadcaster, its program suppliers, or any other party, with respect to any personal recording or incidental caching or storage of any portion of the Broadcast Signals. Notwithstanding anything herein to the contrary, in no event shall Operator authorize, provide, or facilitate any feature that (i) permits or enables the automatic skipping (e.g., without the need to press a "fast-forward" button) of commercial advertisements in a Station's Broadcast Signal or (ii) allows end users to receive one or more program transport streams from a Station via an individual antenna at a remote location (*i.e.*, a site other than the customer's premises) that is then transported via the Internet to the end user's premises (including, but not limited to, integrating Aereo or Aereo-like technology with Operator's set-top boxes or other customer premises equipment).

7. Termination.

(a) A default shall occur if either party (i) makes a material misrepresentation or warranty or (ii) fails to perform or observe in any material respect any other term, covenant, or other provision of this Agreement. If such default continues for a period of 15 days after the defaulting party's receipt of written notice of such default, then, in addition to all other rights and remedies the non-defaulting party may have, such non-defaulting party shall have the right to suspend its performance under this Agreement, until such default or failure is remedied, and/or to terminate this Agreement by written notice to the defaulting party.

(b) Except with respect to each party's indemnification obligations under this Agreement, neither Broadcaster nor Operator shall be liable to the other for incidental, consequential, indirect or special damages in any cause of action arising out of or related to this Agreement.

(c) Operator acknowledges that its obligations hereunder are specific and unique in character and have a peculiar value and that a failure by Operator to fulfill its commitments under this Agreement including, without limitation, the signal carriage obligations set forth herein, will cause irreparable damage to Broadcaster that cannot be compensated in monetary damages. Operator therefore agrees that Broadcaster shall be entitled to obtain specific performance of Operator's obligations under this Agreement as an appropriate remedy in the event of a material breach of the terms of this Agreement by Operator.

8. Representations and Warranties. Broadcaster and Operator each represent, warrant and covenant to the other that they have the power and authority, and the rights, to enter into this Agreement and to fully perform their respective obligations to the other, and that they each will comply with all applicable laws, rules and regulations. Operator further represents, warrants, and covenants that (1) it has,

together with the rights granted to it hereunder, acquired all necessary rights, licenses, consents, permissions and authorizations, including copyrights, patents, trademarks, service marks and trade names necessary for Operator to perform its obligations under this Agreement and during the Term it shall continue to maintain or obtain same, it being understood that the obligation for licensing of copyrighted programming shall be in accordance with Section 6(b), and (2) it qualifies as a multi-channel video programming provider pursuant to Section 76.65 of the rules of the Federal Communications Commission and will maintain this qualification for the duration of the Term.

9. Indemnification. Broadcaster and Operator shall each indemnify, defend and forever hold harmless the other, the other's affiliated companies and their respective officers, directors, employees, partners, members and agents (collectively, "**Indemnified Parties**"), against and from any and all third party claims, actions, suits, proceedings, investigations, judgments, awards, settlements, losses, damages, and liabilities (each, a "**Loss**") that are sustained or incurred by or asserted against any of them and that arise out of any breach by it of any representation, warranty, covenant or agreement set forth in this Agreement, and shall reimburse them for any and all legal, accounting and other fees, costs and expenses (including, without limitation, reasonable counsel fees, disbursements and court and administrative costs) reasonably incurred by any of them in connection with investigating, mitigating or defending any such Loss. Subject to Section 6(b), Broadcaster shall further indemnify Operator's Indemnified Parties against any Losses arising out of the content of the programming within the Broadcast Signal. Operator shall further indemnify Broadcaster's Indemnified Parties against any Losses arising out of any content in the Broadcast Signal that Operator inserts, deletes, alters, or imposes upon. The indemnities contained in this section shall survive the expiration or termination of this Agreement. Promptly after a party's receipt of notice of the commencement of any action, suit, proceeding or investigation in respect of which a claim for indemnification may be made hereunder, such party will give written notice thereof to the other party; but the failure to so notify the other party will not relieve the other party from any liability or obligation which the other party may have to any indemnified person except to the extent of any material prejudice to the other party resulting from such failure. If any such action, suit, proceeding or investigation is brought against an indemnified person, the indemnifying party will be entitled to participate therein and to assume the defense thereof with counsel satisfactory to the indemnified person (who shall not, except with the consent of the indemnified person, be counsel to the indemnified person), provided it gives written notice to the indemnified person of its election so to assume the defense thereof within fifteen days of receiving notice of the claim. Each Indemnified Party will be obliged to cooperate reasonably with the indemnifying party, at the expense of the indemnifying party, in connection with such defense and the compromise or settlement of any such action, suit, proceeding or investigation.

10. Assignment/Change of Control.

(a) The rights and obligations of Broadcaster and Operator under this Agreement shall be binding on both parties and their respective successors, transferees and assignees. Neither party may assign this Agreement or any rights or obligations under it without the other's prior written consent, which will not be unreasonably withheld. A purported assignment without the other's consent will be null, void, and unenforceable. Notwithstanding the foregoing, consent shall not be required for any assignment of this Agreement to a party controlled by, controlling, or under common control with the assigning party, for any assignment to a party acquiring all or substantially all of the assets of a Station, or for any assignment in accordance with Section 10(b) of this Agreement.

(b) If Operator (or any entity that controls greater than a fifty percent (50%) voting interest in Operator) assigns, transfers control, or otherwise divests of all or part of its interest in any portion of a System, Operator shall require the assignee, transferee, or acquirer (the "**Acquirer**") thereof to assume, be bound by and perform this Agreement in its entirety with respect to such System, unless the Acquirer (or an entity under common control with the Acquirer) has a retransmission agreement with Broadcaster and the Acquirer and Broadcaster agree in writing to add such System to Acquirer's distribution agreement.

If the Acquirer adds the System to its agreement with Broadcaster, Operator shall pay a termination fee to Broadcaster for each Station no later than the closing date of such sale transaction. The termination fee shall be calculated on a Station-by-Station basis as follows: Operator shall multiply (i) the difference between the then-current Rate for the Station set forth in Exhibit A to this Agreement and the then-current net effective per-subscriber rate paid by the Acquirer for the Station pursuant to its agreement with Broadcaster by (ii) the average number of Subscribers to which Operator retransmitted the Station in the last full calendar month prior to the closing date of the sale of the System by (iii) the number of full months remaining in the term of this Agreement at the time Acquirer acquires the System. In no event shall such termination fee be less than \$0.00. The foregoing provisions of this Section shall apply to each buyer or transferee in the event of successive or multiple sales or transfers of a System.

11. Confidentiality. The terms and conditions of this Agreement (including any data reported herewith), with the exception of the existence and expiration date of the Agreement, will be kept confidential by the parties hereto and will not be disclosed by either party to any third party except (i) as may be required by any court order or governmental agency or pursuant to applicable law or regulations; (ii) as part of a party's normal reporting requirements to its accountants, auditors, agents, legal counsel and affiliates, or to potential purchasers of all or substantially all of its assets or business, or all of the assets or business of a System or Station, if such receiving person first agrees in writing to abide by this confidentiality clause; or (iii) as necessary for a party to enforce its rights under this Agreement. Any press release relating to the signing of this Agreement shall be approved by both parties in advance. For the avoidance of doubt, the total fees that Broadcaster or a Station receives from all sources (including Operator) and the total number of subscribers receiving a Station's signal pursuant to all retransmission consent agreements (including this Agreement) shall not be deemed confidential information if such data are reported in the aggregate and in a manner that it is not possible to attribute the fees paid by Operator or the total number of Subscribers for Operator.

12. Force Majeure. No delay, preemption or other failure to perform caused by factors beyond the affected party's reasonable control, including, without limitation, acts of God, labor dispute, non-delivery by program suppliers, war, riot, technical breakdown, or government order or regulation shall constitute a default or breach of this Agreement. The affected party shall exercise its reasonable efforts to cure any such delays and the cause thereof, and the parties' performance under the terms of this Agreement shall be excused for the period of time during which such Force Majeure event continues so long as such curative efforts are reasonably pursued.

13. Relationship of the Parties. Nothing in this Agreement shall create any joint venture or principal-agent relationship between Broadcaster and Operator. No Subscriber shall be deemed to have any direct or indirect contractual relationship with Broadcaster by virtue of this Agreement, nor shall any Subscriber or other third party be deemed to be a third party beneficiary of this Agreement.

14. Notices. Any notices required by this Agreement shall be in writing and shall be delivered to the appropriate address listed in **Exhibit A**. Notices shall be deemed delivered when personally delivered, or if mailed by certified or registered mail, when the United States Postal Service confirms receipt, or if sent courier or express mail service, when such courier or express mail service confirms delivery.

15. Complete Agreement. This Agreement, and all collateral matters relating thereto, shall be enforced and construed under the laws of the state of New York (without regard to the conflict of laws provisions thereof), applicable to agreements fully made and performed therein, subject to applicable provisions of the Communications Act of 1934, as amended, and the applicable rules and regulations of the FCC. This Agreement constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior or contemporaneous, express or implied, written or oral, agreements, representations and understandings between the parties. This Agreement may only be renewed, extended, modified or amended by a written instrument signed by the parties. No

waiver of this Agreement shall be deemed to have occurred, nor shall any breach be deemed excused, unless the waiver or excuse is in writing and signed by the party against whom the waiver or excuse is to be asserted. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement. This Agreement may be signed in multiple counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same agreement.

From: Scott Centers <scenters@youralaskalink.com>
Sent: Saturday, December 30, 2017 6:59 PM
To: Carolyn Hanson; Jonathan Babbitt
Cc: 'Dan Kirkpatrick'
Subject: KTBV

Hi John (and Carolyn),
I recalled John mentioning he was out of the office this past week.
I reached out a couple of times directly by phone and email with no success.
I am copying Carolyn on this email as well.

By way of this email we are providing you a temporary grant to use the KTBV FOX 4 signal until January 5th, 2018, with the provision that final negotiated contract terms will become effective on January 1, 2018.
As always, I am available via email or cell: 907-444-6461

Scott

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
scenters@youralaskalink.com
907-444-6461

From: Scott Centers <scenters@youralaskalink.com>
Sent: Sunday, December 31, 2017 5:54 PM
To: Jonathan Babbitt
Subject: KTBV

Jonathan

Thank you for your response

We acknowledge that you're not interested in a temporary grant and we hereby rescind it.

Please cut off the FOX signal at 12:01 am January 1, 2018.

Warmest regards,

Scott

From: Jonathan Babbitt <jbabbitt@mta-telco.com>
Date: December 30, 2017 at 6:18:11 PM AKST
To: Scott Centers <scenters@youralaskalink.com>
Cc: "kirkpatrick@fhhlaw.com" <kirkpatrick@fhhlaw.com>
Subject: RE: KTBV

Scott:

I am your single point of contact at MTA. Carolyn is no longer with the company. I am available 24/7 by email or phone at 907-205-1288.

I emailed Bill Fielder three times beginning in October to kick off our renewal negotiations. He never responded to those emails; however, I did receive "read receipts." I was able to reach him by phone in November, and he communicated that he would direct you to email me. I received first contact from you on December 1 by email with a renewal draft. Twice, I scheduled telephone meetings with you - and twice, you failed to attend. (12/7 and 12/12) When we did speak, you were "unable" or unwilling to compromise. At this point in time, MTA is not interested in a temporary grant.

We have heard from our members in great numbers, and they do not support a significant rate hike for KTBV programming.
That being said, we remain open to negotiating a fair deal that best represents their interests, prior to December 31.

- 1.) We are willing to sign a (1) year deal at [REDACTED] per sub for Fox KTBY Channel 4
- 2.) We are willing to sign a (2) year deal at - [REDACTED] for 2018, and [REDACTED] for 2019 for Fox KTBY Channel 4

Again, I am available anytime by phone or email.

V/R,

Jonathan Babbitt

From: Scott Centers <scenters@youralaskalink.com>
Sent: Wednesday, January 03, 2018 11:42 AM
To: Jonathan Babbitt
Cc: 'Dan Kirkpatrick'
Subject: RE: KTBY

Jonathan,
A good snowy morning to you as well.

Thank you for rephrasing. I will still need a counter offer.

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
scenters@youralaskalink.com
907-444-6461

From: Jonathan Babbitt [<mailto:jbabbitt@mta-telco.com>]
Sent: Wednesday, January 03, 2018 6:56 AM
To: Scott Centers <scenters@youralaskalink.com>
Cc: 'Dan Kirkpatrick' <kirkpatrick@fhhlaw.com>
Subject: RE: KTBY

Good morning, Scott. Prior to moving ahead, I would appreciate a response to my previous email below. I'll rephrase.

1. In order to move forward, we'll need to be below [REDACTED] in 2018 and well below [REDACTED] in 2019. Are you agreeable?
2. Per your previous email, we are negotiating Fox KTBY Channel 4 rates only. Are you agreeable?
3. We have proposed standard language added to section 7 regarding termination. Are you agreeable?

Jonathan Babbitt
Director, Product Management & Marketing
907.205.1288 Mobile
907.761.2612 Office



From: Scott Centers [<mailto:scenters@youralaskalink.com>]
Sent: Tuesday, January 2, 2018 4:11 PM
To: Jonathan Babbitt <jbabbitt@mta-telco.com>
Cc: 'Dan Kirkpatrick' <kirkpatrick@fhhlaw.com>
Subject: RE: KTBY

Hi Jonathan,

Thanks for your email, I will await your counter-proposal.

Scott

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
scenters@youralaskalink.com
907-444-6461

From: Jonathan Babbitt [<mailto:jbabbitt@mta-telco.com>]
Sent: Tuesday, January 02, 2018 1:07 PM
To: Scott Centers <scenters@youralaskalink.com>
Cc: 'Dan Kirkpatrick' <kirkpatrick@fhhlaw.com>
Subject: RE: KTBV

Scott:

I appreciate the clarification on your proposal. Simply put, there are no deals to be had to those levels. We'll need to be below [REDACTED] in 2018 and well below [REDACTED] in 2019. Additionally, we are not negotiating CW. Lastly, we will need the termination language added as previously proposed.

Section 7. Termination: ADD

(c) "Without limitation to any other termination right granted in this Agreement, this Agreement may be terminated by Operator if Operator discontinues operation of the Systems and Operator no longer provides video service to any customer, or by Station Group with respect to Station if such Station is no longer operating or transmitting."

Thank you,

Jonathan Babbitt
Director, Product Management & Marketing
907.205.1288 Mobile
907.761.2612 Office



From: Scott Centers [<mailto:scenters@youralaskalink.com>]
Sent: Tuesday, January 2, 2018 9:53 AM
To: Jonathan Babbitt <jbabbitt@mta-telco.com>
Cc: 'Dan Kirkpatrick' <kirkpatrick@fhhlaw.com>
Subject: RE: KTBV

Be wary of unsolicited attachments, even from people you know - If something seems suspicious you may want to check with the person who supposedly sent the message to make sure it's legitimate before opening any attachments.

Jonathan,
I'm sorry for the confusion. Thank you for requesting the clarification.
The attached reflects [REDACTED] and [REDACTED] as outlined in the body of the email.
Warmest regards,
Scott

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
scenters@youralaskalink.com
907-444-6461

From: Jonathan Babbitt [<mailto:jbabbitt@mta-telco.com>]
Sent: Monday, January 01, 2018 2:22 PM
To: Scott Centers <scenters@youralaskalink.com>
Cc: 'Dan Kirkpatrick' <kirkpatrick@fhhlaw.com>
Subject: RE: KTBY

Thank you, Scott. Happy New Year as well. Congratulations on completing your negotiations with GCI.

1. Your original proposal was [REDACTED] and [REDACTED], your email below says [REDACTED] and [REDACTED], and the document you attached has [REDACTED] and [REDACTED]. It is unclear what you are proposing.
2. You did not accept our proposal for year one. You stated, "I will accept your offer for year one as long as we are at [REDACTED] for year two." We did not agree to [REDACTED]
3. You did not accept CW, in fact you stated: "We are working on the FOX station only."

Regarding points 2 and 3, I'll forward your email for your files.

Again, MTA is only interested in reaching a deal that protects our member owners.

Jonathan Babbitt
Director, Product Management & Marketing
907.205.1288 Mobile
907.761.2612 Office



From: Scott Centers [<mailto:scenters@youralaskalink.com>]
Sent: Monday, January 1, 2018 12:35 PM
To: Jonathan Babbitt <jbabbitt@mta-telco.com>
Cc: 'Dan Kirkpatrick' <kirkpatrick@fhhlaw.com>
Subject: KTBY

Be wary of unsolicited attachments, even from people you know - If something seems suspicious you may want to check with the person who supposedly sent the message to make sure it's legitimate before opening any attachments.

Jonathan,

Please allow me to wish you a happy New Year.

Our counter is attached.

Just to visit the history for a minute.

Our first offer to you was [REDACTED] and [REDACTED] for Big 4 and [REDACTED] and [REDACTED] for CW. We don't have CW but this amount is included in case we pick it up.

Your counter was [REDACTED] and [REDACTED] for Big 4 and [REDACTED] and [REDACTED] for CW.

We accepted your year 1 counter for Big 4 and your full counter for CW. We asked you to use move year 2 Big 4 to [REDACTED], from [REDACTED].

Your response to our request to move year 2 by [REDACTED] is below. You have backed down to [REDACTED] and [REDACTED], thus re-trading us with lower numbers than you had already agreed to.

Our counter attached is [REDACTED] and [REDACTED].

We have successfully completed our negotiations with GCI and all other parties. I look forward to wrapping this negotiation up with you.

I'm available by phone today until 5 pm and during business hours throughout the rest of the week.

Warmest regards,
Scott
907-444-6461

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
sceners@youralaskalink.com
907-444-6461

From: Jonathan Babbitt <jbabbitt@mta-telco.com>
Date: December 30, 2017 at 6:18:11 PM AKST
To: Scott Centers <sceners@youralaskalink.com>
Cc: "kirkpatrick@fhhlaw.com" <kirkpatrick@fhhlaw.com>
Subject: RE: KTBY

Scott:

I am your single point of contact at MTA. Carolyn is no longer with the company. I am available 24/7 by email or phone at 907-205-1288.

I emailed Bill Fielder three times beginning in October to kick off our renewal negotiations. He never responded to those emails; however, I did receive "read receipts." I was able to reach him by phone in November, and he communicated that he would direct you to email me. I received first contact from you on

December 1 by email with a renewal draft. Twice, I scheduled telephone meetings with you - and twice, you failed to attend. (12/7 and 12/12) When we did speak, you were "unable" or unwilling to compromise. At this point in time, MTA is not interested in a temporary grant.

We have heard from our members in great numbers, and they do not support a significant rate hike for KTBY programming.

That being said, we remain open to negotiating a fair deal that best represents their interests, prior to December 31.

- 1.) We are willing to sign a (1) year deal at [REDACTED] per sub for Fox KTBY Channel 4
- 2.) We are willing to sign a (2) year deal at - [REDACTED] for 2018, and [REDACTED] for 2019 for Fox KTBY Channel 4

Again, I am available anytime by phone or email.

V/R,

Jonathan Babbitt
Director, Product Management & Marketing
907.205.1288 Mobile
907.761.2612 Office

-----Original Message-----

From: Scott Centers [<mailto:scenters@youralaskalink.com>]

Sent: Saturday, December 30, 2017 3:59 PM

To: Carolyn Hanson <chanson@mta-telco.com>; Jonathan Babbitt <jbabbitt@mta-telco.com>

Cc: 'Dan Kirkpatrick' <kirkpatrick@fhhlaw.com>

Subject: KTBY

Hi John (and Carolyn),

I recalled John mentioning he was out of the office this past week.

I reached out a couple of times directly by phone and email with no success.

I am copying Carolyn on this email as well.

By way of this email we are providing you a temporary grant to use the KTBY FOX 4 signal until January 5th, 2018, with the provision that final negotiated contract terms will become effective on January 1, 2018.

As always, I am available via email or cell: 907-444-6461

Scott

Scott Centers
Chief Operating Officer
Coastal Television
Anchorage, Alaska
scenters@youralaskalink.com
907-444-6461

From: Jonathan Babbitt
Sent: Monday, May 7, 2018 6:19 PM
To: 'Scott Centers' <scenters@youralaskalink.com>
Subject: MTA & KTBV

Scott:

Thank you for your call last Wednesday. It is unfortunate that we were not able to come to an agreement prior to the first of the year. MTA remains interested in a continued relationship with KTBV and would consider a deal that protects our member owners.

I've reviewed my files and your previous emails and it is clear that we never came to an agreement on any terms. I've attached your last proposal, reflecting [REDACTED] for year one, and [REDACTED] for year two. We have not signed any deals at those rates. Because we are not agreeable to those rates, I've outlined our counter below, which is commensurate with other Big 4 deals we have signed. Please let me know if you have any questions, or would like to schedule a call.

MTA Counter

Term: June 1, 2018 – May 31, 2020

Primary Affiliation of Retransmitted Feed	June 1, 2018 – May 31, 2019	June 1, 2019 – May 31, 2020
FOX - KTBV Channel 4	[REDACTED]	[REDACTED]

Section 7. Termination: ADD

(c) "Without limitation to any other termination right granted in this Agreement, this Agreement may be terminated by Operator if Operator discontinues operation of the Systems and Operator no longer provides video service to any customer, or by Station Group with respect to Station if such Station is no longer operating or transmitting."

Best Regards,

Jonathan Babbitt, Director of Product Management, Marketing & Sales
MTA | 1740 S. Chugach Street | Palmer, Alaska 99645
mobile: 907-205-1288 | office: 907-761-2612 | www.mtasolutions.com

From: Jonathan Babbitt <jbabbitt@mta-telco.com>
Sent: Friday, June 22, 2018 10:40 PM
To: Scott Centers
Subject: RE: forwarding emails previously sent

Scott:

We are at an impasse, again. KTBV's proposal is outside the bargaining range. MTA will not sign any deal at those rates. I appreciate you reaching back out, and do not want to waste any more of your time.

Best Regards,

Jonathan Babbitt, Vice President of Product Management, Marketing & Sales
MTA | 1740 S. Chugach Street | Palmer, Alaska 99645
mobile: 907-205-1288 | office: 907-761-2612 | www.mtasolutions.com



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From: Scott Centers <scenters@youralaskalink.com>
Sent: Friday, June 22, 2018 12:44 PM
To: Jonathan Babbitt <jbabbitt@mta-telco.com>
Subject: RE: forwarding emails previously sent
Importance: High

Jon,
Thank you for today's email. Our counter to your email below is [REDACTED] in year one and [REDACTED] in year two.

Thanks,
Scott
907-444-6461

From: Jonathan Babbitt <jbabbitt@mta-telco.com>
Sent: Thursday, June 21, 2018 8:46 PM
To: Scott Centers <scenters@youralaskalink.com>
Subject: RE: forwarding emails previously sent

Scott:

I spoke with our IT department this afternoon and they corrected the issue that was preventing your emails from delivery. That has been corrected now. Thank you for your patience.

Regarding our negotiations, we are not re-trading. Despite our efforts, we never agreed on any terms. I've attached your most recent proposal outlining [REDACTED] and [REDACTED] sent on January 2, 2018.

Again, MTA's counter in response to your latest offer on January 2nd is below. Much has changed since we last communicated in January. Your "Update for MTA Customers" article on KTBV's website from January 4th and your MTA Video posted to KTBV's Facebook page on February 23rd listing my name, phone and email did draw a response. We received very strong opposition to any rate increase for Fox KTBV programming from our member owners. They simply do not have an appetite for programming

increases. In order to compromise, and in good faith, MTA will accept a fair increase – indicated in our counter below. If you are amenable to these terms, we can move forward.

MTA Counter

Term July 1, 2018 – June 30, 2020

Primary Affiliation of Retransmitted Feed	July 1, 2018 – June 30, 2019	July 1, 2019 – June 30, 2020
FOX - KTBV Channel 4		

Section 7. Termination: ADD

(c) “Without limitation to any other termination right granted in this Agreement, this Agreement may be terminated by Operator if Operator discontinues operation of the Systems and Operator no longer provides video service to any customer, or by Station Group with respect to Station if such Station is no longer operating or transmitting.”

Jonathan Babbitt, Vice President of Product Management, Marketing & Sales

MTA | 1740 S. Chugach Street | Palmer, Alaska 99645

mobile: 907-205-1288 | office: 907-761-2612 | www.mtasolutions.com



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From: Scott Centers <sccenters@youralaskalink.com>

Sent: Thursday, June 21, 2018 11:04 AM

To: babbittj@hotmail.com

Subject: forwarding emails previously sent

Jonathan,

Please find the emails I have been sending to you in order to get us negotiating again in order to close a deal.

With the NFL Season fast approaching in August, we really want to get this done now and move on.

We left off in December only a nickel apart. Would be nice to pick up from there. Is there any reason we cannot pick up from there rather than re-trading?

Thanks and I will text you to let you know I forwarded this

Scott

907-444-6461

Transcription of Coastal's July 6, 2018 (7:12 PM) Facebook Message

Speaker: Scott Centers, Coastal's Chief Operating Officer

Video available at: <https://www.facebook.com/YourAlaskaLink/videos/1801649979918281/>

Hi MTA football fans, great news for all of you at MTA. Football time is nearly here! That's right, we're T-minus 30 days away from the first pre-season game of the year. T means touchdown and we are here to tell you that, once again, this year we will have the Seattle Seahawks along with the Pittsburgh Steelers and welcoming the Los Angeles Rams to our lineup out in the Mat-Su as well. How 'bout Thursday Night Football coming to KTBV and FOX-Alaska this year? FOX spent billions securing the Thursday Night Football rights and along with that deal came two promises: quality matchups and no more loud and crazy uniforms. We know FOX puts out the best NFL product and Thursday Night Football will be no different, doubling down on the best NFL coverage. No more sorry match-ups, but the opposite: Greenbay at Seattle, for example, out of the gate are the Vikings and the Rams. Hey! And don't forget that next week, MTA, we will have the major league all-star game and in October, the World Series of baseball, the fall classic comes alive on FOX 4 in the Mat-Su. Don't miss out – but wait!...As a subscriber of MTA you do not have KTBV Fox-Alaska on your lineup. Why? Because MTA is being very unreasonable. And they are misleading you into thinking that we at Coastal are only interested in jacking up your rates. Which is anything but the truth. It's far from the truth. The truth is that Coastal has been very reasonable with MTA and MTA is the one conducting themselves in such a manner that Coastal has filed a very valid complaint with the FCC. This complaint identifies the fact that Coastal has conducted Good Faith Negotiations with MTA and MTA refuses to conduct themselves in the same manner. Did you know and realize Coastal

actually offered to extend their former contract with MTA to allow you, the MTA customer, to continue to receive the FOX signal all the while working out the final details and MTA refused to do this. Talk about unreasonable! You could've been watching the NFL playoffs in January, but MTA refused this very kind and generous offer and used the excuse that you, their customers, claim you no longer wish to have KTBY as an option for your lineup. It's been six months now! Did MTA lower your rates? Are they going to lower your rates? Call and ask them! Coastal has been very reasonable and has negotiated in good faith, but MTA refuses to do the same. The truth is, we've negotiated deals with all providers within the state of Alaska and the only company providing paid subscription services as a company product in which we have no retransmission agreement with is MTA! We are not asking for any more or any less than the going market rate for our services and MTA is well aware of this. They know we are not asking for any more than what would be considered a fair and reasonable offer for them to provide you, their customers, with a good quality product. Anything MTA would say would be misleading you. It is that simple. So what can you do as an MTA customer? You can switch to another provider: Dish, DirecTV, GCI, or providers in your service area. You can drop MTA altogether and still receive KTBY free over the air along with all the other broadcasters in the Mat-Su area. You can also call the offices at MTA and tell them you want KTBY FOX-Alaska back on your channel lineup. Thank you. Thank you for your time, and thank you for watching FOX in Alaska.

http://www.youralaskalink.com/news/mta-communications-receives-fcc-good-faith-negotiation-complaint/article_d5e8181e-f1c1-11e7-8644-8fdb4ce5d2c.html

MTA COMMUNICATIONS RECEIVES FCC GOOD FAITH NEGOTIATION COMPLAINT

Jul 6, 2018



Matanuska Telephone Association has received a GOOD FAITH NEGOTIATIONS COMPLAINT which was set Before the Federal Communications Commission on June 29, 2018. The Complaint was brought by Coastal Television Broadcasting Company LLC, the owners of KTBY-TV. The Complaint states “Coastal brings this Complaint because MTA has breached its obligation to negotiate in good faith for the terms of retransmission of the signal of Coastal’s broadcast television station KTBY, Anchorage, Alaska.” It further explains “MTA has unreasonably delayed retransmission consent negotiations between the parties, and has essentially failed to respond to Coastal’s proposals for extended periods of time. In doing so, MTA has clearly committed *per se* violations of the

EX. L

REDACTED - FOR PUBLIC INSPECTION

07/19/2018

http://www.youralaskalink.com/news/update-for-gci-customers/article_d5e8181e-f1c1-11e7-8644-8fdb4ce5d2c.html 7/17/2018

Commission's rules requiring it to negotiate in good faith with Coastal. MTA has clearly violated its duty to negotiate in good faith under the totality of the circumstances test as well."

"We were shocked, disappointed and dismayed at MTA's refusal to negotiate in good faith. In December 2017, we were discussing an arrangement where we had agreed to the cost in year one and were one nickel apart on the price of year two in a two-year agreement, when in early 2018, suddenly and arbitrarily, Jon Babbitt, MTA's Director Product Marketing and Management, moved the negotiation difference by 1800%, refused an offer to carry programming during our effort to continue to negotiate, and refused to provide a counter-offer after our last offer to MTA. Even as late as June, Jon has been non-responsive in our attempts to re-enter negotiations," said Scott Centers, General Manager and Chief Operating Officer of Coastal Television Broadcasting Company LLC, operator of the KTBV, KATN and KJUD television stations.

Coastal owns top-ranked stations throughout Alaska and in Tupelo, Mississippi. Coastal's FOX affiliates in Anchorage and Tupelo are number one prime-time rated stations, and broadcast quality programming. KTBV's sports programming is the most extensive and diverse professional football programming in Alaska. Despite the popularity of Coastal's stations and programming, MTA has refused after many months to negotiate carriage terms with Coastal that are consistent with those that MTA has provided to other broadcasters.

MTA customers who wish to receive KYBY programming can receive it over the air for free or switch to another Pay-TV provider."

MTA's actions will not affect customers of DirecTV, GCI, DISH and other local providers.

CERTIFICATE OF SERVICE

I, Shannon M. Heim, hereby certify that on July 19, 2018, I caused copies of the following document(s):

- Letter to Ms. Marlene H. Dortch, dated July 19, 2018
- MTA's Answer (provisionally confidential version)
- MTA's Exhibits A-L

to be served via hand-delivery from Metro Legal Services on the Federal Communications Commission ("FCC") at the following address:

**Ms. Marlene H. Dortch, Secretary
Federal Communications Division
445 12th Street SW
Washington, DC 20554**

I further certify that on July 19, 2018, I caused copies of the following document(s):

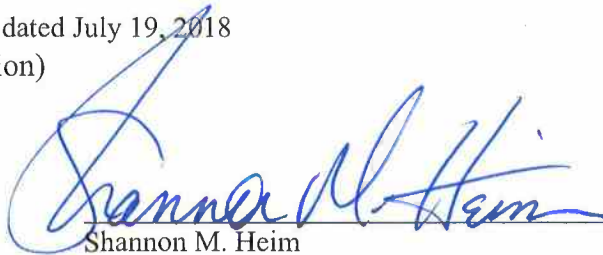
- Letter to Ms. Marlene H. Dortch, dated July 19, 2018
- MTA's Answer (provisionally confidential version)
- MTA's Exhibits A-L
- MTA's Answer (redacted version)
- MTA's redacted Exhibits A-L

to be served via FedEx at the following address:

**Daniel A. Kirpatrick, Esq.
Frank R. Jazzo
Fletcher, Heald & Hildreth, PLC
1300 North 17th Street, Suite 1100
Arlington, VA 22209**

I further certify that on July 19, 2018, copies of the following documents were e-filed with the FCC:

- Letter to Ms. Marlene H. Dortch, dated July 19, 2018
- MTA's Answer (redacted version)
- MTA's redacted Exhibits A-L


Shannon M. Heim