

Amended Description of Transaction July 2015

The instant application, as amended, seeks the Federal Communications Commission's ("FCC's") consent to the assignment of the license for television broadcast station WISE-TV, Fort Wayne, Indiana (Facility ID No. 13960) ("Station") from WISE-TV License, LLC ("Granite Indiana") to SagamoreHill of Indiana Licenses, LLC ("SHI"). The sole member of SHI is SagamoreHill of Indiana, LLC, and the two entities are hereinafter collectively referred to as "SagamoreHill Indiana."

Granite Broadcasting Corporation ("Granite"), the parent of Granite Indiana; SagamoreHill Indiana; SagamoreHill of Duluth Licenses, LLC ("SHD"); and SagamoreHill of Duluth, LLC, the sole member of SHD, are parties to an Asset Purchase Agreement dated as of July 27, 2015, pursuant to which, following FCC approval, the license for the Station will be assigned from Granite to SHI.¹ SagamoreHill Indiana, Louis Wall, and Quincy Newspapers, Inc. ("QNI") are also parties to a Side Letter Agreement dated July 27, 2015, attached hereto, which contemplates, among other things, that QNI's proposed acquisition of television station WPTA, Fort Wayne, Indiana (Facility ID No. 73905), FCC approval for which is being sought in FCC File No. BALCDT-20140221ABL (the "WPTA Application"), will be consummated contemporaneously with the assignment of the Station to SHI.

The parties noted above have restructured the transaction contemplated herein after consultation with Media Bureau staff and in response to concerns raised by the staff. The restructured transaction is compliant with the Commission's March 12, 2014 *Public Notice* and provides multiple public interest benefits.

Upon consummation of the assignment of the license of WISE-TV to SHI as proposed in the instant application, and the related assignment of the license of WPTA to QNI, the following will occur:

- QNI and SagamoreHill Indiana will enter into a Shared Services Agreement, the form of which is attached hereto, pursuant to which QNI will provide certain technical, administrative and back-office support and business services for the Station, all under the supervision and control of SagamoreHill Indiana. The Shared Services Agreement also provides for certain office and facilities leases. The parties also contemplate that QNI will provide some news programming—not to exceed 15 percent of the Station's weekly programming. A Management Services Agreement by and between SHI and Louis Wall is also attached hereto, which provides that Louis Wall, the President and CEO of SagamoreHill Midwest, LLC, the ultimate parent of SagamoreHill Indiana, will personally provide management services to SHI, including with respect to the finances, programming, and personnel of the Station. Mr. Wall is a television broadcaster

¹ A separate amendment to the related pending application requesting consent to the assignment of the license of KDLH(TV), Duluth, Minnesota (Facility ID No. 4691) to SHD (FCC File No. BALCDT-20140221ABM) is being filed concurrently with this amendment.

with over 30 years of experience working at, managing, and owning local television stations.

- The existing Advertising Representation Agreement by and between Malara Broadcast Group of Fort Wayne, LLC, Granite, and Granite affiliate NVG-Fort Wayne, Inc. dated March 8, 2005, will be assigned to and assumed by SagamoreHill Indiana and QNI, respectively. A simple amendment (the form of which is attached hereto) will be executed at closing to specify that services will be rendered by QNI to WISE-TV rather than to WPTA. Pursuant to the agreement, QNI will provide sales services to SagamoreHill Indiana station WISE-TV. This Advertising Representation Agreement will be eliminated nine months after closing, subject to the waiver request described below.
- There will be no option, financing or loan guarantees between SagamoreHill Indiana and QNI related to WISE-TV or WPTA.
- QNI will be the assignee of the ABC Network affiliation agreement currently associated with WPTA and the NBC Network and MyNetworkTV affiliation agreements currently associated with WISE-TV. ABC Network programming will remain on WPTA. QNI will lease signal capacity from SagamoreHill Indiana so that the NBC Network and MyNetworkTV programming continues to air on WISE-TV for nine months following the closing.
- SagamoreHill Indiana will be the assignee of the CW Plus Network affiliation agreement currently associated with WPTA. SagamoreHill Indiana will lease signal capacity from QNI so that the CW Plus Network programming is aired on WPTA for nine months following the closing.

Nine months after the closing, pursuant to the waiver request described below, the following changes will occur:

- The NBC Network and MyNetworkTV program streams currently and at closing associated with WISE-TV will be moved from WISE-TV to WPTA. WPTA will also retain its ABC Network affiliation.
- The CW Plus Network program stream currently and at closing associated with WPTA will be moved from WPTA to WISE-TV.

As noted above, the parties propose to eliminate the Advertising Representation Agreement (“JSA”) between WPTA and WISE-TV nine months after closing the transaction proposed herein. The nine month wind-down period will permit WISE-TV sufficient time to separate core operating functions, including sales, and to put in place its own management, operations and sales team. A formal request for temporary waiver of the local television ownership rule (47 C.F.R. Section 73.3555(b)) for nine months to allow QNI additional time to come into compliance with the rule by eliminating the JSA in the Fort Wayne market is included in the WPTA Application.