

CHANNEL SHARING AGREEMENT

THIS CHANNEL SHARING AGREEMENT (this “**Agreement**”) is dated as of January 10, 2016, by and between WUSA-TV, Inc. a Delaware corporation and, for purposes of the Channel Sharing Rules (as later defined), as “sharer” (“**Host Licensee**”), an affiliate of Belo Corp., a Delaware corporation (“**Host Guarantor**”), and Entravision Communications Corporation (“**EVC**”), the parent of Entravision Holdings, LLC (“**Entravision Holdings**”) (EVC and Entravision Holdings together, and, for purposes of the Channel Sharing Rules as “sharee”, “**Second Licensee**”).

RECITALS

A. This Agreement is made in respect of stations in the following Designated Market Area (“**DMA**”) :

Washington, D.C. (the “**Market**”)

B. Host Licensee holds the television spectrum usage rights associated with the 6 MHz channel assigned to the following television broadcast station, including its primary and all multicast streams pursuant to licenses issued by the FCC:

WUSA

Washington, D.C. (Fac. ID No. 65593) (the “**Host Station**”);

C. Second Licensee holds the television spectrum usage rights associated with the 6 MHz channel assigned to the following television broadcast station, including its primary and all multicast streams pursuant to licenses issued by the FCC:

WJAL

Hagerstown, MD (Fac. ID No. 10259) (the “**Second Station**”);

D. Host Licensee and Second Licensee desire to participate in the broadcast incentive auction conducted by the Federal Communications Commission (the “**FCC**”) under Section 6403 of the Middle Class Tax Relief and Job Creation Act (Pub. L. No. 112- 96, § 6403, 126 Stat. 156, 225-230 (2012), codified at 47 U.S.C. § 309(j)(8)(G)) (the “**Incentive Auction**”), in accordance with the Channel Sharing Rules and otherwise pursuant to the terms and subject to the conditions of this Agreement;

E. In the event that Second Licensee submits a bid in the Incentive Auction to relinquish its spectrum usage rights associated with the license for Second Station in accordance with the terms hereof, the applicable Channel Sharing Rules, and otherwise subject to the terms and conditions herein, including the bidding related matters set forth on *Schedule 1.1(a)*, and such bid is designated as a winning bid by the FCC upon or in connection with the conclusion of the Incentive Auction (a “**Successful Bid**”), then Second Licensee will relinquish its rights associated with the 6 MHz television channel currently assigned to the Second Station by the FCC in accordance with the Channel Sharing Rules, and will share with Host Licensee on a jointly licensed basis, the television channel assigned by the FCC to the Host Station (the

“Shared Channel”), which is currently exclusively licensed to Host Licensee in respect of the Host Station;

F. Host Licensee is a party to that certain District of Columbia Joint Tower Agreement, made by and between (i) Host Licensee, as successor in interest to Post-Newsweek Stations, Capital Area, Inc., on the one hand, and (ii) ACC Licensee, LLC, as successor in interest to The Evening Star Broadcasting Company, on the other, dated as of May 10, 1973 (the **“Tower JV Agreement”**), which established the District of Columbia Tower Joint Venture (the **“Tower JV”**). The Tower JV, in turn, owns and operates the tower (38° 57’ 1” N 77° 4’ 46” W) and Host Licensee owns and operates the transmission facilities located near (38° 57’ 1” N 77° 4’ 46” W) (such tower and transmission facilities, the **“Transmission Facilities”**), and other equipment necessary for use by Host Licensee and Second Licensee in the operation of their television stations broadcasting on the Shared Channel pursuant to the terms and subject to the conditions of this Agreement (as further described in *Schedule 3.3(a)* attached hereto, the **“Shared Equipment,”** and together with the Transmission Facilities, the **“Shared Transmission Path”**);

G. Second Licensee desires to enter into a channel sharing agreement with Host Licensee in accordance with, and as contemplated by, the Channel Sharing Rules with respect to the matters set forth herein, including the allocation between them of any proceeds received from the Incentive Auction as consideration payable to Host Licensee for the ownership interest in the Shared Channel and the provision for joint use of the Shared Channel and Shared Transmission Path;

H. Host Licensee and Second Licensee agree that this Agreement shall be in accordance with the Communications Act of 1934, the Telecommunications Act of 1996, and the rules and written policies of the FCC promulgated thereunder (collectively, the **“Communications Laws”**), including all written rules, policies or guidance relating to channel sharing or the Incentive Auction promulgated by the FCC, including (i) the Report and Order adopted in ET Docket No. 10-235, released April 27, 2012 (**“Channel Sharing Order”**), (ii) FCC Report and Order adopted in GN Docket No. 12-268, released June 2, 2014 (the **“Incentive Auction Order”**), (iii) the First Order on Reconsideration and Notice of Proposed Rulemaking, adopted June 11, 2015 (**“First Order”**), (iv) the Second Order on Reconsideration, adopted June 17, 2015 (**“Omnibus Order”**), (v) the Procedures for Competitive Bidding in Auction 1000, released August 11, 2015 (**“Bidding Procedures”**), (vi) the Guidance Regarding the Prohibition of Certain Communications During the Incentive Auction, Auction 1000, adopted October 6, 2015 (**“Communications Prohibition Guidance”**), (vii) the Second Order on Reconsideration, adopted October 21, 2015 (**“Second Order”**), (viii) the Application Procedures for Broadcast Incentive Auction Scheduled to Begin on March 29, 2016, adopted October 15, 2015 (**“Application Procedures”**), (ix) the Clarification of the Procedures for Disbursing Reverse Auction Incentive Payments, adopted on November 25, 2015 (the **“Disbursement Clarification”**), (x) the Application Instructions for Broadcast Incentive Auction Scheduled to Begin on March 29, 2016, released November 19, 2015 (the **“Application Instructions”**), and (xi) the FCC regulations adopted at 47 C.F.R. §§ 1.2200-1.2209 and 73.3700, as amended (clauses (i) through (xi), together with all other current or subsequently adopted FCC rules, orders and public notices

pertaining to channel sharing, the “*Channel Sharing Rules*”), on the terms and conditions set forth in this Agreement;

I. Host Guarantor is a party hereto for the sole purpose of providing the guarantee as set forth in Section 5.6 below; and

J. For convenience of reference, the capitalized terms defined in this Agreement and the location of such definitions in this Agreement are set forth in a table on *Exhibit A* hereto.

AGREEMENT

Now, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: PARTICIPATION IN THE INCENTIVE AUCTION

1.1 ***Incentive Auction Application.*** Second Licensee shall timely file and thereafter diligently prosecute an application as necessary for the Second Station to participate in the Incentive Auction, pursuant to which Second Licensee shall relinquish its spectrum and channel share with Host Licensee pursuant to the terms and subject to the conditions set forth in this Agreement and in accordance with the Communications Laws (the “*Incentive Auction Application*”). Prior to filing the Incentive Auction Application, Second Licensee shall provide Host Licensee with a copy of the Incentive Auction Application for its review. The parties shall cooperate in good faith with respect to the Incentive Auction Application and the Incentive Auction with respect to Host Station and Second Station, and each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the Incentive Auction Application, and shall furnish all information required by the FCC. Each party shall notify each other of all documents filed with or received from the FCC with respect to this Agreement or the transactions contemplated hereby. Host Licensee shall timely provide Second Licensee with all certifications contemplated with respect to a “sharer” in the Incentive Auction Application. Host Licensee shall otherwise furnish Second Licensee with such information and assistance as Second Licensee may reasonably request in connection with Second Licensee’s preparation of the Incentive Auction Application. Neither party shall take any action that would reasonably be expected to result in the dismissal of the Incentive Auction Application without the prior written consent of the other party, except as expressly contemplated in this Agreement.

1.2 *Participation in the Incentive Auction by Second Licensee.*

(a) ***Relinquishment Bid.*** Second Licensee covenants and agrees to submit bids to relinquish the spectrum of Second Station and commence channel sharing with Host Licensee on the Shared Channel in accordance with *Schedule 1.1(a)* hereto.

(b) *Notices.*

(i) In the event that Second Licensee submits a bid designated as a Successful Bid, then, unless this Agreement is terminated by Second Licensee pursuant to the terms and subject to the conditions of Section 6.2(h), (y) the parties shall be obligated to channel share pursuant to the terms and subject to the conditions of this Agreement, and (z) Second Licensee shall provide written notice to Host Licensee of such Successful Bid (the “**Channel Sharing Notice**”), to be delivered no later than five (5) business days following the FCC’s formal designation and confirmation by public notice (the “**Auction Results Notice**”) that Second Licensee has been awarded a Successful Bid with respect to Second Station.

(ii) In the event the Auction Results Notice does not designate Second Licensee’s bid as a Successful Bid, Second Licensee shall promptly deliver notice to Host Licensee of the resulting termination of this Agreement pursuant to Section 6.2(b).

(iii) Following any election made under Paragraph 3 of *Schedule 1.1(a)* resulting in termination of this Agreement pursuant to Section 6.2(c), Second Licensee shall promptly deliver to Host Licensee notice of such termination as follows: (A) if during the Quiet Period, to Host Licensee’s Bidding Liaison only; and (B) if thereafter, to Host Licensee in accordance with Section 7.1.

(c) *Maintenance of Eligibility.* Subject to the terms of *Schedule 1.1(a)*, neither party shall take any action that would reasonably be expected to result in the loss of Second Licensee’s eligibility to participate in the Incentive Auction, or which would be reasonably likely to conflict with its right or ability to perform under this Agreement, including the entry into any transaction that would be inconsistent with (i) eligibility to participate in the Incentive Auction, (ii) the right or ability to tender the spectrum of the Second Station in the Incentive Auction, or (iii) channel sharing with the other party pursuant to the terms and subject to the conditions of this Agreement.

1.3 *Auction Compliance Procedures.*

(a) *General Compliance.* Each party covenants and agrees that it will undertake all reasonably necessary measures, including implementing and maintaining all appropriate information barriers and notification procedures, to ensure that during the period designated by the FCC as the “**Quiet Period**” (as defined in the Communications Prohibition Guidance (together with 47 C.F.R. § 1.2205, the “**FCC Communication Prohibitions**”)), all communications made (i) within such party’s corporate organization, including with respect to its affiliates, is in conformity with the FCC Communications Prohibitions in all material respects and (ii) all communications by or on behalf of such party that are directed to the other party hereto are communicated by a Bidding Liaison (as later defined) or another person whose communication on behalf of such party is in compliance with the FCC Communications Prohibitions.

(b) *Bidding Liaisons.* Each party shall designate one or more person(s) as bidding liaisons who shall be authorized on behalf of the designating party to effect communications with the other party hereto with respect to bids and bid strategies (the “**Bidding**”).

Liaison”) in accordance with the FCC Communications Prohibitions. Each party shall have the right to designate additional Bidding Liaisons or replace a Bidding Liaison of such party by written notice to the other party.

(c) *Intracompany Communications.* The parties further covenant and agree that its Bidding Liaisons will, and each party will take appropriate measures to cause its Bidding Liaisons to, adhere to appropriate information barriers within his or her organizations to comply with the FCC Communications Prohibitions during the Quiet Period.

1.4 *Allocation of Incentive Auction Proceeds.* Through an assignment in accordance with Federal Income Tax Regulation Section 1.1031(k)-1(g)(4) and Section 1.7(b) of this Agreement, the gross, pre-tax amount of all proceeds payable by the FCC upon a Successful Bid in respect of Second Station (the “**Auction Proceeds**”) shall be allocated among Second Licensee and Host Licensee in accordance with the allocation and procedures set forth in *Schedule 1.1(b)* hereto. Subject to a Successful Bid, the portion of the Auction Proceeds allocable to Host Licensee (the “**Host Proceeds**”) shall be calculated and due payable in accordance with *Schedule 1.1(b)*, and Second Licensee shall have the right to retain the portion of the gross Auction Proceeds net of the Host Proceeds. The Host Proceeds paid to Host Licensee pursuant to this Agreement will be solely for the Shared Channel and not any other right under this Agreement.

1.5 *Nature of Participation by Host Licensee.* Host Licensee shall not prepare or submit a bid to move the Host Station to a VHF channel in connection with the Incentive Auction or otherwise subject the spectrum of the Host Station to bidding in the Incentive Auction, except as the “sharer” of a channel sharing arrangement under this Agreement.

1.6 *Exclusivity.* Without limiting the rights of the parties to enter into a Sub-Sharing Arrangement (as later defined) pursuant to the terms and subject to the conditions of Section 2.2, the parties acknowledge and agree that this Agreement shall be the sole and exclusive channel sharing arrangement entered into by either Host Licensee or Second Licensee (or any affiliate thereof) with respect to the licensed spectrum of the Host Station or Second Station in connection with participation in the Incentive Auction (including with respect to Auction Proceeds relating thereto) solely to the extent of, and with respect to, a Successful Bid that is equal to or greater than the Reserve Price (as later defined).

1.7 *Tax Matters.*

(a) *General Tax Considerations.* The Auction Proceeds are pre-tax, other than applicable state or local sales taxes mutually identified and agreed upon in advance by both parties. If Second Licensee is required by the FCC to establish an escrow from the Auction Proceeds, or if the FCC otherwise holds back any Auction Proceeds for reasons solely relating to Second Licensee or Second Station, such amounts would be withheld from Second Licensee’s share of such Auction Proceeds, and Host Licensee shall be entitled to the full amount of the Host Proceeds based on the applicable Auction Proceeds.

(b) *Assignment to Qualified Intermediary.* Notwithstanding anything in this Agreement to the contrary, Second Licensee may assign its rights or obligations under this Agreement to a party acting as “Qualified Intermediary”, as defined in Section 1.1031(k)-1(g)(4)

of the Federal Income Tax Regulations (the “**Qualified Intermediary**”), provided that: (i) notwithstanding such assignment, Host Licensee may proceed directly against Second Licensee to enforce its rights under this Agreement, to the extent permitted under this Agreement, without the need to join the Qualified Intermediary as a party; (ii) notwithstanding such assignment, the Shared Channel will be implemented directly by Host Licensee and Second Licensee as provided in this Agreement, (iii) Host Licensee’s performance of any of its obligations to or in favor of the Qualified Intermediary shall be treated as performance to or in favor of Second Licensee, (iv) Second Licensee shall provide a copy of the instrument by which such assignment is made to Host Licensee promptly after its execution and before commencement of channel sharing if Second Station has a Successful Bid, and (v) Host Licensee shall not be a party to such assignment to the Qualified Intermediary. In the event Second Licensee so assigns its rights or obligations to the Qualified Intermediary, Host Licensee shall (x) receive the Host Proceeds from the Intermediary and (y) allow Second Licensee to proceed directly against Host Licensee without having to join the Qualified Intermediary as a party to an action against Host Licensee in the event Host Licensee breaches any of its obligations under this Agreement. The purpose of an assignment permitted by Host Licensee pursuant to this Section is solely to allow Second Licensee to qualify the relinquishment of spectrum of Second Station for the benefits of Section 1031 of the Internal Revenue Code of 1986, as amended (the “**Code**”). Qualification for Section 1031 treatment is solely the responsibility of Second Licensee, and Host Licensee shall not be responsible for such qualification. Unless the parties agree otherwise, the Qualified Intermediary shall be Chicago Deferred Exchange Corporation, its affiliate, or another nationally recognized entity providing deferred exchange services reasonably acceptable to Second Licensee.

(c) *Escrow of Auction Proceeds.* In connection with the use of a Qualified Intermediary, Second Licensee shall take and shall cause the Qualified Intermediary to join with Second Licensee in taking such actions that result in the Auction Proceeds being deposited by wire transfer directly into an escrow account (the “**Escrow Account**”) that satisfies the requirements of Federal Income Tax Regulation Section 1.1031(k)-1(g)(3), under the name of the Qualified Intermediary, with an escrow agent that is a nationally recognized federally-chartered national bank mutually agreed to by the parties (the “**Escrow Agent**”), to be held and distributed by the Escrow Agent pursuant to the terms and conditions of an escrow agreement to be agreed to by and among Second Licensee, Host Licensee, the Qualified Intermediary and the Escrow Agent (the “**Escrow Agreement**”); provided, that if, for any reason, the Auction Proceeds are not deposited directly into the Escrow Account, then Second Licensee shall either (i) unless the Second Licensee is treated as being in actual or constructive receipt of the Auction Proceeds at or prior to such time, remit the Auction Proceeds to the Escrow Account or (ii) transfer the Host Proceeds to Host Licensee (in accordance with *Schedule 1.1(b)*), by wire transfer, without deduction, setoff or counterclaim (except in accordance with *Schedule 1.1(b)*). The parties shall use their best efforts to ensure that the Escrow Agreement complies with the Channel Sharing Rules for payment of Auction Proceeds to a third party; provided that any such terms are consistent with Section 1031 of the Code. The Escrow Agreement shall not be amended without Host Licensee’s prior written consent (which consent shall not be unreasonably conditioned, delayed, or withheld). Second Licensee shall obtain from the Escrow Agent and/or the Qualified Intermediary any certifications required by the FCC to permit payment to the Escrow Account. The escrowed funds shall be held as a trust fund and shall not be subject to any lien, attachment, trustee process or any other judicial process of any creditor of either party. The escrowed funds shall be deposited by the Escrow Agent in an interest-bearing account in the manner specified in

the Escrow Agreement. The parties shall jointly instruct the Escrow Agent not to distribute or release the escrowed funds except in accordance with the express terms and conditions of the Escrow Agreement. Each party shall be responsible for one-half of the fees charged and expenses incurred by the Escrow Agent for its services under the Escrow Agreement.

(d) *Other Tax Matters.* Each of the parties acknowledges and agrees that it is intended that this Agreement and the transactions or arrangements described or contemplated by this Agreement (including but not limited to Second Licensee's and Host Licensee's concurrent or shared use of the Shared Channel and/or the Shared Transmission Path) shall be treated and classified by each of the parties for all U.S. federal and applicable state and local income tax purposes as a "cost-sharing arrangement" (as referenced in the IRS letter, dated July 3, 2014, from the U.S. Department of Treasury to the FCC regarding "Federal Tax Principles Applicable to the FCC's Proposed Broadcast Incentive Auction"), and is not intended for such purposes to constitute or be treated as a partnership or similar joint venture by and among the parties. It is further acknowledged and agreed by the parties that the payment of Host Proceeds to Host Licensee pursuant to the terms of this Agreement is intended to be treated and classified by the parties for all U.S. federal and applicable state and local income tax purposes as purchase price paid by Second Licensee (either directly or indirectly through the Qualified Intermediary) to Host Licensee for the acquisition of an item of property consisting of the Shared Channel. Except as otherwise required by a "determination" as defined in Section 1313(a) of the Code, each of the parties hereby covenants and agrees not to take any position on any tax returns which is inconsistent with any of the intentions described in this Section without the prior written consent of the other party, which consent shall not be unreasonably conditioned, delayed, or withheld.

(e) *QI Election.* If either party (an "**Electing Party**") elects to treat the spectrum acquired or disposed pursuant to this Agreement as property transferred in a like-kind exchange pursuant to Section 1031 of the Code, the Electing Party shall notify the other party of such election in writing no later than the conclusion of the Incentive Auction and the designation by the FCC of the Second Licensee's bid as a Successful Bid, thereupon the non-electing party shall undertake all actions reasonably requested by the Electing Party in writing in connection with the Electing Party's like-kind exchange, including providing a signed acknowledgement of receipt of an assignment of this Agreement to the Qualified Intermediary consistent with Section 1.7(b); provided, however, that such actions do not impose any unreimbursed liabilities, including any monetary obligations or costs, on the non-electing party and do not release either party from its obligations under this Agreement and that the Electing Party shall promptly reimburse the non-electing party for any third-party costs reasonably incurred in connection with such election, including as the result of any subsequent review of such election or any attendant tax consequences by any governmental authority. Unless Second Licensee provides written notice to the contrary, it elects to treat the spectrum to be acquired on the Shared Channel as property received in a like-kind exchange.

ARTICLE 2: SPECTRUM ALLOCATION AND FCC MATTERS

Subject to, and only upon, designation by the FCC of a bid by Second Licensee as a Successful Bid, the parties agree as follows:

2.1 ***Allocation of Bandwidth.*** Pursuant to the Channel Sharing Rules, Host Licensee and Second Licensee shall share the Shared Channel as set forth in the Baseline Spectrum Allocation attached as *Schedule 2.1* hereto, which may be modified from time to time only by mutual written agreement of the parties, but which shall provide in all events, at a minimum, that each channel sharing licensee shall retain spectrum usage rights adequate to ensure a sufficient amount of the shared channel capacity to allow it to provide at least one (1) Standard Definition (SD) program stream at all times (a “***Single SD Stream***”).

2.2 ***Sublease of Spectrum Rights.*** Except with respect to assignments pursuant to the terms and subject to the conditions of Section 7.7, either party shall have the right to sublease, transfer or otherwise dispose of any portion of the spectrum allocated for its use under this Agreement and its rights under this Agreement (a “***Sub-Sharing Arrangement***”) to any unaffiliated third party subject to the prior written consent of the other party (which shall not be unreasonably withheld, delayed or conditioned), *provided, however*, that in no event shall Second Licensee permit, nor shall any Sub-Sharing Arrangement give, any third party the right to access the Shared Transmission Path or Host Licensee’s facilities. For the avoidance of doubt, the parties acknowledge and agree that a multicast affiliation agreement, with respect to programming on the parties’ allocated spectrum share, will not be deemed a Sub-Sharing Arrangement within the meaning of this provision, and each party shall have the right to use program content on its allocated capacity on the Shared Channel in such party’s sole discretion in accordance with the Communications Laws, including broadcasting one stream or multiple streams and broadcasting content provided by third parties. Any permitted Sub-Sharing Arrangement shall be subject to the terms and conditions of this Agreement, including the applicable limitations set forth in *Schedule 2.1* hereto. In no event shall a Sub-Sharing Arrangement relieve the party hereunder entering into such Sub-Sharing Arrangement of its obligations hereunder.

2.3 Baseline Spectrum Allocation.

(a) ***Review of Allocation.*** The parties shall meet and confer periodically and in good faith in accordance with Section 4.5 to review the Baseline Spectrum Allocation; *provided*, that, for the avoidance of doubt, the Baseline Spectrum Allocation shall be amended or otherwise modified only upon the prior written agreement of the parties, and no party shall be obligated to agree to any such amendment or other modification, other than in connection with, and pursuant to the terms and subject to the conditions of Section 4.3(b) (in connection with a Regulatory Condition as defined therein).

(b) ***New Technologies.*** Without limiting the generality of paragraph (a) above or the terms and conditions of Section 4.1(k) below, in the event that a new standard of modulation is implemented by Host Licensee, Host Licensee and Second Licensee shall

cooperate in good faith to allocate the available bandwidth on a basis proportional to the allocation under the then-current Baseline Spectrum Allocation.

2.4 ***Encoding.*** Host Licensee and Second Licensee shall have a single, redundant common encoding pool. Each of Host Licensee and Second Licensee shall have the right to monitor and audit the Shared Channel's encoding system to ensure compliance with Section 2.1. Each of Host Licensee and Second Licensee shall make all records of such encoding available to the other upon written request during normal business hours.

2.5 ***Commitment to Provide Capacity.*** Host Licensee shall transmit content provided by Second Licensee using the Shared Transmission Path. Host Licensee shall not alter the content provided by Second Licensee, *provided* that Host Licensee may (a) encode, compress and/or modulate the content as required to multiplex together Host Licensee and Second Licensee content streams using the parameters agreed to in this Agreement, and (b) combine the EIT and other information into a common PSIP format for transmission as agreed to in this Agreement; *provided* that the content transmitted on the spectrum allocated to Second Licensee shall be treated in substantially the same manner as the content of the Host Station.

2.6 ***Certain FCC Matters.***

(a) ***Authorizations.*** Each of Host Licensee and Second Licensee represents and warrants to the other that it (i) has obtained all FCC and any other material governmental licenses, approvals and authorizations necessary for its operations on its respective station as currently operated by it, and (ii) is eligible to participate in the Incentive Auction and perform under this Agreement as contemplated by the terms and conditions hereof. Each of Host Licensee and Second Licensee shall maintain (y) all primary broadcast licenses issued by the FCC, and (z) all other material licenses, approvals and authorizations in full force and effect during the Term (as defined in Section 6.1). Neither party shall make any filing with the FCC to modify the Shared Channel without the prior written consent of the other party.

(b) ***Compliance with Law.*** Each party shall comply in all material respects with all applicable federal, state and local laws, including the Communications Laws, with respect to its ownership and operation of the Host Station or Second Station, as applicable, and its applicable use of the Shared Channel. Host Licensee shall be solely responsible for all content it transmits on the Shared Channel, and Second Licensee shall be solely responsible for all content it transmits on the Shared Channel. Host Licensee and Second Licensee shall comply with all laws and leases, licenses or similar agreements applicable to the Shared Transmission Path, including the Tower JV Agreement.

(c) ***Control.*** In accordance with the Communications Laws, Host Licensee shall control, supervise and direct the day-to-day operation of the Host Station (including Host Licensee's employees, programming and finances), and Second Licensee shall control, supervise and direct the day-to-day operation of the Second Station (including Second Licensee's employees, programming and finances), and nothing in this Agreement is intended to, nor shall be deemed to affect each party's respective responsibilities. Neither Host Licensee nor Second Licensee shall hold itself out as the licensee of the other's station using the Shared Channel, and, except as otherwise provided in Section 3.3 with respect to joint ownership of certain equipment

relating to the Shared Transmission Path, nothing in this Agreement shall give either party an ownership interest in the other party's station. Neither Host Licensee nor Second Licensee shall use the call letters of the other's television station in any medium with respect to the identification of its station or in a manner reasonably likely to cause confusion as to the ownership of the other party's station. Without limiting the generality of the foregoing, nothing in this Agreement is intended, nor shall be construed, to establish a joint sales relationship between the parties and in no event shall either party have the right to conduct advertising sales on behalf of the other or to hold itself out as the agent of the other party for such sales.

(d) *FCC Fees.* Each of Host Licensee and Second Licensee shall be responsible for timely payment of all fees owed by it to the FCC with respect to its television station using the Shared Channel. Each of Host Licensee and Second Licensee shall be responsible for any joint fees, if any, assessed by the FCC on or with respect to the Shared Channel as allocated between the parties on a basis proportional to the Baseline Spectrum Allocation.

2.7 *Cooperation.* Each of Host Licensee and Second Licensee shall cooperate with one another in good faith as to any reasonable requests made by the other with respect to operation of or transition to the Shared Channel or the Shared Transmission Path. Neither Host Licensee nor Second Licensee shall take any action or fail to take any action which interferes with or is reasonably likely to interfere with the other's use of capacity on the Shared Channel or the Shared Transmission Path.

ARTICLE 3: TRANSITION TO CHANNEL SHARING

Subject to, and only upon, designation by the FCC of a bid by Second Licensee as a Successful Bid, the parties further agree as follows:

3.1 *Channel Sharing License Applications.*

(a) *Filings.* Not later than five (5) business days following the disbursement by the FCC of Auction Proceeds, Second Licensee shall prepare and file with the FCC a minor-change application for a construction permit authorizing the Second Station to operate from Host Station's facilities. Following the grant of the Second Station minor-change application, and subject to the prior disbursement of Host Proceeds pursuant to *Schedule 1.1(b)*, Host Licensee and Second Licensee shall expeditiously prepare license applications to effect a move of Second Station to the Shared Channel. The parties' license applications shall be timely filed with the FCC on a date mutually agreed upon by the parties, subject to any applicable FCC deadlines set forth in the Channel Sharing Rules (such filing date, the "***Commencement Date***") and thereafter diligently prosecuted by the parties. Each party shall bear its own expenses with respect to the preparation and filing of the FCC license applications. The parties shall cooperate in good faith with respect to such applications, and each party shall promptly provide to the other party a copy of any pleading, order or other document filed with or served on it relating to such applications, and shall furnish all information required by the FCC or reasonably requested by the other party in connection with its preparation and prosecution of such applications.

(b) *Commencement of Channel Sharing.* Upon the Commencement Date, the parties shall commence channel sharing in accordance with the terms of this Agreement. At such time, Second Station shall terminate operations on its pre-Incentive Auction channel that was subject to its Successful Bid, and it shall thereafter commence shared operations on the Shared Channel pursuant to the terms and subject to the conditions of this Agreement.

3.2 ***Host Station Repacking.*** If, following the Incentive Auction, the FCC requires the Host Station to move to a different channel in connection with a repacking of the UHF band (a “***Host Repacking***”), Host Licensee shall effect the transition to, and commence operations on, its new channel in accordance with applicable FCC deadlines. Host Licensee shall promptly seek reimbursement from the TV Broadcaster Relocation Fund for all reimbursable costs and expenses incurred by Host Licensee or Second Licensee in connection with a Host Repacking, and which reimbursements shall be applied to the parties’ corresponding costs and expenses incurred for which reimbursement was sought. Any costs and expenses arising pursuant to such obligation that are not reimbursed from the TV Broadcaster Relocation Fund shall be allocated between the parties on a basis proportional to the Baseline Spectrum Allocation, and the Host shall provide to Second Licensee reasonable documentation of such amounts subject to reimbursement, and Second Licensee shall make such reimbursement promptly and in all events within thirty (30) days of the submission of such documentation by Host Licensee. If necessary, the parties shall confer in good faith to modify this Agreement and the Shared Operating Plan (as defined in Section 3.4(a)) to reflect any technical modifications that may be required to effect the Host Repacking, with the understanding that such modifications shall be limited to technical matters and shall not affect the parties’ financial arrangement hereunder.

3.3 ***Shared Transmission Path.***

(a) *Identification of Shared Transmission Path.* A list of all material items of the Shared Transmission Path as of the date of this Agreement is attached hereto as *Schedule 3.3(a)*, which may be modified from time to time during the Term by mutual written agreement of the parties.

(b) *Initial Capital Expenditures.* The parties shall work together cooperatively and in good faith to identify and agree on any equipment purchases, equipment upgrades or other capital expenditures necessary for the parties to perform their respective obligations to commence channel sharing under this Agreement (“***Shared Capital Expenditures***”), a preliminary list of which is attached hereto as *Schedule 3.3(b)*, and it is intended that such list may be modified by mutual written agreement of the parties. The allocation of the aggregate amount of any such Shared Capital Expenditures as between the parties shall be in the same proportion to the allocation of spectrum between the parties pursuant to the Baseline Spectrum Allocation, with the understanding that, for convenience, Host Licensee shall procure such equipment to the extent reasonably feasible and invoice Second Licensee for prompt reimbursement of its share of such costs; *provided*, that Second Licensee shall have no obligation to reimburse Host Licensee for any capital expenditures not made in accordance with Section 4.1(f) or *Schedule 3.3(b)* of this Agreement, or the parties have otherwise mutually agreed in writing to such Shared Capital Expenditures.

(c) *Title and Cost Sharing.* Title with respect to any such equipment acquired as a Shared Capital Expenditure, and the corresponding rights to depreciation, shall be held jointly by both parties; *provided*, that the foregoing reflects the intention of the parties to establish a cost-sharing arrangement with respect to the subject-matter equipment and it is not intended, and shall not be construed, to establish a partnership between the parties.

(d) *Host Preparedness.* Without limiting any other obligation hereunder, including with respect to reimbursement by Second Licensee of Shared Capital Expenditures and certain other costs as provided herein, Host Licensee shall, at its expense (subject to any applicable reimbursement by Second Licensee in accordance with this Agreement), establish the Shared Transmission Path and undertake such other expenditures, modifications to the facilities, and government filings with respect to Host Station to ensure that the parties each shall be able to conduct broadcast operations as contemplated hereby as of, and commencing on, the Commencement Date.

3.4 *Shared Operating Matters.*

(a) *Shared Operating Plan.* . Each party's chief engineer and one or more other employees with appropriate organizational authority and operating or technical expertise shall meet and confer in good faith in accordance with Section 4.5 for the purpose of developing a formal plan to address technical planning considerations and ongoing operational matters of the Shared Channel (the "***Shared Operating Plan***"). The Shared Operating Plan shall:

(i) Reflect technical discussions between the parties as may be required to coordinate the transition of Second Station's existing operations from its pre-Incentive Auction channel to the Shared Channel (*e.g.*, proposed employee responsibility and technical considerations);

(ii) Include allocation of costs between the parties of any Shared Capital Expenditures necessary to initiate channel sharing in accordance with Section 3.3;

(iii) Subject to Section 2.3, provide a mechanism to address the allocation of spectrum in the future beyond the Baseline Spectrum Allocation, including the parties' then-current understandings, if any, with respect to the exploration of the feasibility of implementing ATSC 3.0, subject to the terms and conditions of Section 4.1(k);

(iv) Contemplate appropriate pre-commencement testing for shared operations; and

(v) Provide for delivery of any notices to third parties (including consumers) that may be reasonably necessary or desirable.

The parties shall agree upon a Shared Operating Plan as promptly as practicable, but in no event later than fourteen (14) days following delivery of the Channel Sharing Notice.

(b) *Review of Shared Operating Plan.* The parties shall meet and confer in good faith periodically during the Term to review and revise the Shared Operating Plan in accordance with Section 4.5.

ARTICLE 4:
CHANNEL SHARING OPERATION AND ONGOING MATTERS

Subject to, and only upon, designation by the FCC of a bid by Second Licensee as a Successful Bid, the parties further agree as follows:

4.1 *Shared Transmission Path.*

(a) *Access.* Subject to, and except as otherwise provided by, the Tower JV Agreement, Host Licensee shall provide Second Licensee with unrestrained access to the Shared Transmission Path twenty-four (24) hours a day, seven (7) days a week, including a right to ensure ongoing broadcast operations in the ordinary course consistent with past practices of Host Station (as such practices are reasonably made known to Second Licensee) and good engineering practices customary in the television broadcast industry (collectively, “**good engineering practices**”), *provided* that (i) Second Licensee shall exercise such access rights in a manner consistent with (A) good engineering practices and other practices reasonable and customary for the broadcast television industry, and in all events exercising a standard of care similar in all material respects to that of Host Licensee (as such practices are reasonably made known to Second Licensee) (collectively, “**customary station practices**”), and (B) the terms and conditions of the Tower JV Agreement; and (ii) in all events, neither party shall take any action that would be reasonably likely to disrupt or impair in any material respect the other party’s use of the Shared Transmission Path. Host Licensee shall also provide Second Licensee with access to, but not control over, all other Host Licensee’s facilities as may be reasonably necessary to ensure ongoing broadcast operation of Second Station in the ordinary course consistent with good engineering practices and in accordance with the Communications Laws; *provided* that such access shall be exercised by Second Licensee in accordance with customary station practices (as such practices are reasonably made known to Second Licensee).

(b) *Operations.* Each of Host Licensee and Second Licensee shall:

(i) not permit to exist any lien, claim or encumbrance on the Shared Transmission Path, except (A) with respect to transmission equipment owned separately by such party and that it is not part of the Shared Transmission Path or (B) with respect to the extent of such party’s interest, if any, in the Shared Equipment resulting from Shared Capital Expenditures;

(ii) not interfere with the business and operation of the other’s television station or the other’s use of such facilities.

(iii) use the Shared Transmission Path only for the operation of its television station in the ordinary course of business, including any purpose permitted under the terms of its station’s FCC authorizations and the Communications Laws.

(iv) maintain, at its own expense, sufficient insurance with respect to its use of the Shared Transmission Path and operations from the Transmission Facilities during the Term and shall name the other broadcaster as an additional insured under such policies; and

(v) comply in all material respects with all laws applicable to its operations relating to the Shared Transmission Path.

(c) *Maintenance and Repairs.* Host Licensee shall be obligated to maintain and repair the Shared Transmission Path in accordance with good engineering practices and use commercially reasonable efforts to ensure that such equipment operates consistent with past practice and, in all events, within the technical parameters set forth on the stations' FCC licenses, with any costs and expenses incurred in connection with such obligation being allocated between the parties pro rata on a basis proportional to the Baseline Spectrum Allocation, with the understanding that, for convenience, Host Licensee shall perform, or cause to be performed, any required maintenance and repairs to the extent reasonably feasible and shall invoice Second Licensee for prompt reimbursement of its pro rata share of such costs; *provided, however*, that with respect to any maintenance or repair costs arising out of the gross negligence or willful misconduct by a party hereunder in breach of this Agreement, such costs shall be paid solely by such breaching party. In the event of planned repairs to the Shared Transmission Path, Host Licensee shall coordinate such repairs (and any related downtime) with Second Licensee, including by providing advance notice of such repairs, to the extent reasonably practicable. Host Licensee shall provide to Second Licensee reasonable documentation of such amounts subject to reimbursement hereunder, and Second Licensee shall make such reimbursement promptly and in all events within thirty (30) days of the submission of such documentation by Host Licensee. Without modifying the rights and obligations of the parties with respect to the Shared Transmission Path hereunder, in the event that it is reasonably necessary for Host Licensee or Second Licensee to reduce, limit or temporarily cease use of the Shared Transmission Path, the Shared Channel or its own equipment located at the Tower in order for the other party to install, maintain, repair, remove or otherwise work on its broadcast equipment or the Shared Transmission Path, the non-requesting party shall cooperate in a commercially reasonable manner. If reasonably necessary, the non-requesting party shall temporarily reduce, limit or cease use of the Shared Transmission Path, the Shared Channel or its own equipment located at the Tower, provided that the requesting party takes all reasonable measures to minimize the amount of time the non-requesting party shall operate with reduced facilities and that the requesting party takes all reasonable measures to schedule such installation, maintenance, repairs, removal or work at a commercially reasonable time convenient to the non-requesting party. In all events, the requesting party shall conduct all actions contemplated by this paragraph in accordance with applicable law, good engineering practices and customary station practices, as applicable.

(d) *Technical Failures.* In the event that the Shared Transmission Path suffers an unexpected failure, such that the Second Station must temporarily cease broadcasting or operate at reduced power levels, Host Licensee shall promptly notify Second Licensee and use commercially reasonable efforts, consistent with good engineering practices, to repair the Shared Transmission Path to return the Second Station, as quickly as practicable, to operations at its full authorized power.

(e) *Second Licensee Maintenance and Repair Rights.* Without limiting its general access and self-help rights set forth in Section 4.1(a), in the event of a material breach by Host Licensee of its obligations in respect of the Shared Transmission Path, and failure to cure upon reasonable notice thereof by Second Licensee, Second Licensee shall have the right to

undertake itself any necessary maintenance or repairs, and Host Licensee shall promptly (and in any event within thirty (30) days after invoice) reimburse Second Licensee for its pro rata share (on a basis proportional to the Baseline Spectrum Allocation) of its reasonable and customary, documented out-of-pocket expenses incurred by Second Licensee; *provided, however*, that with respect to any maintenance or repair costs arising out of the gross negligence or willful misconduct by a party hereunder in breach of this Agreement, such costs shall be paid solely by such breaching party; *provided further* that all such maintenance or repair shall be undertaken by appropriately experienced individuals and in a manner consistent with good engineering practices.

(f) *Alteration to Shared Transmission Path.*

(i) In accordance with Section 4.5, and without limiting the application of Section 4.2(k) below, the parties shall discuss on an ongoing basis from time to time during the Term appropriate future Shared Capital Expenditures that may be reasonably necessary or desirable to improve, upgrade or otherwise alter the Shared Transmission Path or any portion thereof.

(ii) If both parties agree to make an investment to upgrade or replace the Shared Transmission Path, such expenditures, including installation costs shall be deemed Shared Capital Expenditures for purposes of cost-sharing under Section 3.3(b) and shall be allocated between the parties on a basis proportional to the Baseline Spectrum Allocation (unless otherwise agreed by the parties at such time), and the parties shall reasonably cooperate as needed to permit the prompt installation of any necessary equipment and the party undertaking the work shall use commercially reasonable efforts to minimize costs. No party shall be obligated to undertake any expenditure to upgrade or replace the Shared Transmission Path unless mutually agreed by the parties or otherwise in accordance with this Agreement.

(iii) In the event one party wishes to make an expenditure to upgrade or replace the Shared Transmission Path or any portion thereof, and the other party does not wish to participate, the party proposing the expenditure shall have the right to purchase and install the desired equipment, at its sole cost and expense, and shall retain sole title to such equipment during the Term and after the termination or expiration of this Agreement, and the other party shall cooperate, at the requesting party's expense, to the extent reasonably necessary to ensure that such upgrade or replacement is accomplished, *provided* that (A) such equipment does not (1) interfere with, harm or adversely affect the Shared Transmission Path or other operations of Host Station or Second Station or (2) degrade the signal of the other party, (B) the ongoing maintenance and repair of such equipment does not place an undue or disproportionate burden on the other party, (C) the party making the expenditure shall be responsible for the installation and maintenance of such equipment, which shall be undertaken in accordance with good engineering practices, and (D) such expenditure and the corresponding installation and maintenance costs shall not be deemed to be Shared Capital Expenditures.

(iv) For the avoidance of doubt, any alteration of the Shared Transmission Path that could reduce or change the stations' coverage areas as of the Commencement Date (such as by a reduction in the stations' authorized power or the use of a broadcast antenna with a different pattern) shall require the prior written consent of both Host

Licensee and Second Licensee (which shall not be unreasonably withheld, conditioned or delayed).

(g) *Exclusive Equipment.*

(i) Second Licensee may install equipment solely owned by it at the Transmission Facilities that is reasonably acceptable to Host Licensee, such approval by Host Licensee not to be unreasonably withheld, conditioned or delayed.

(ii) To the extent applicable, each of Host Licensee and Second Licensee shall maintain, repair and replace any equipment owned solely by it located at the Transmission Facilities in accordance with good engineering practices. Title to all such equipment solely owned by Host Licensee or Second Licensee shall remain with such party, and the other party shall not move, repair, damage or interfere with any such equipment except in accordance with this Agreement or otherwise with the prior written consent of the other party.

(h) *Hazardous Materials.* Each of Host Licensee and Second Licensee shall: (i) comply with all environmental laws applicable to its operations from the Shared Transmission Path; (ii) not cause or permit the release of any hazardous materials on, to or from the Shared Transmission Path in violation of any applicable environmental laws; (iii) not take any action that would subject the Shared Transmission Path to permit requirements for storage, treatment or disposal of hazardous materials; and (iv) not dispose of hazardous materials on the Shared Transmission Path except in compliance with applicable law.

(i) *Contractors.* All contractors and subcontractors of each of Host Licensee and Second Licensee who perform any service for Host Licensee or Second Licensee with respect to the Shared Transmission Path shall hold licenses or governmental authorizations appropriate to and necessary for the work being performed. Any such contractor shall carry insurance issued by companies licensed in the state where the Shared Transmission Path is located.

(j) *Relocation.* Each of Host Licensee and Second Licensee shall comply with the Tower JV Agreement and shall not undertake any act or omission that would be reasonably likely to constitute a breach or default thereunder that giving rise to a right of termination thereunder, as applicable. Host Licensee represents and warrants to Second Licensee that it has provided Second Licensee with a true and complete copy of such Tower JV Agreement (subject to the redaction of certain financial information in such copy so provided). Host Licensee shall promptly provide Second Licensee with true and complete copies of all amendments or modifications to the Tower JV Agreement and all notices given or received thereunder. If Host Licensee loses its rights under the Tower JV Agreement for any reason, then Host Licensee and Second Licensee shall promptly cooperate in good faith to develop and implement a plan to replace such site, with any costs incurred in connection therewith (i) to be borne solely by Host Licensee in the event that such costs arise directly from termination of the Tower JV Agreement as a result of a breach by Host Licensee, as a party thereto, which breach arises from an act or omission of Host Licensee, or (ii) to be borne solely by Second Licensee in the event that such costs arise directly from termination of the Tower JV Agreement as a result of a breach by Host Licensee, as a party thereto, which breach arises from an act or omission of Second Licensee, or

(iii) otherwise, in all other cases, to be shared by the parties in the same proportion as the allocation of spectrum between the parties pursuant to the Baseline Spectrum Allocation.

(k) *Deployment of ATSC 3.0 and Other New Technologies.* No new transmission technology shall be adopted or deployed without the mutual written consent of Host Licensee and Second Licensee, except that, notwithstanding the foregoing, no such consent shall be required as follows:

(i) Either of Host Licensee or Second Licensee shall have the right to adopt or deploy new technologies for its station, *provided* that such adoption or deployment does not materially or adversely affect the other party's broadcast service in existence at the time of such adoption or deployment.

(ii) Host Station shall have the right to implement a new transmission technology, including a new standard of modulation and including ATSC 3.0, with respect to the Shared Channel or the Transmission Facilities, as applicable, and the parties shall be required to share the reasonable out-of-pocket costs and expenses of such implementation, and the capital expenditures therefor shall be deemed Shared Capital Expenditures, all to be shared in accordance with the terms and conditions of this Section 4.1(k), solely in the event that there is then Substantial Adoption (as defined below) of such new transmission technology.

(1) For purposes of this Agreement, the term "***Substantial Adoption***" means, in respect of a new technology applicable to the operation of broadcast television stations, (A) the adoption of such technology, or (B) the public announcement that such technology is intended to be adopted within one (1) year, by twenty-five percent (25%) or more of the Top Stations (as later defined) in the Market together with other DMAs reasonably comparable to the Market.

(2) Without limiting the generality of the foregoing, the parties acknowledge and agree that the requirements for Substantial Adoption shall be deemed established in the event that (A) two (2) or more of the Top Stations in the Market or (B) twenty-five percent (25%) or more of the Top Stations in the Peer Markets taken together, have adopted or announced an intention to adopt within one (1) year, the applicable new transmission technology.

a. For purposes of this Agreement, the term "***Top Stations***" means, with respect to a DMA, the four (4) highest rated broadcast television stations in such DMA as determined by the most recent all-day (9 a.m.-midnight) share of viewers 2+, as measured by Nielsen Media Research for such DMA, exclusive in all events of Host Station and Second Station.

b. For purposes of this Agreement, the term "***Peer Markets***" means, collectively, (i) the ten (10) DMAs ranked immediately above the Market by population, and (ii) the ten (10) DMAs ranked immediately below the Market by population.

(iii) If, pursuant to the terms and subject to the conditions of Section 4.1(ii), the new modulation standard or transmission technology currently known within the television industry as ATSC 3.0 is deployed or adopted with respect to the Shared Channel (an

“ATSC 3.0 Upgrade”), then the parties shall continue to allocate bandwidth capacity of the Shared Channel in accordance with the Baseline Spectrum Allocation; *provided, however*, that Host Licensee shall not undertake any change in the modulation that results in a decrease in throughput (or bit rate) on the Shared Channel; *and provided further*, that in no event shall Second Licensee’s throughput (or bit rate) on its twenty-five percent (25%) allocation of the Shared Channel be less than 4.8475 Mbps. In connection therewith, the parties shall mutually determine and agree upon the budget and timeline for implementation of the ATSC 3.0 Upgrade; *provided, however*, that the budget and timeline for implementing the ATSC 3.0 Upgrade shall comply with applicable Communications Laws and be consistent with good engineering practices. Second Licensee shall reimburse Host Licensee for the reasonable, documented out-of-pocket costs incurred by Host Licensee associated with the ATSC 3.0 Upgrade and incurred in accordance with this Section 4.1(k), on a basis proportional to the allocation under the then-current Baseline Spectrum Allocation. If the parties cannot mutually agree on a budget or equipment for the ATSC 3.0 Upgrade, each party shall appoint and engage (at its own expense) an independent technical advisor to create a budget and identify recommended equipment. If the budgets are within fifteen percent (15%) of each other, the two budgets shall represent the acceptable range budgeted for conversion. If the two budgets are not within fifteen percent (15%) of each other, the parties shall designate a third technical advisor who shall review the two budgets and either select one (which shall be deemed final) or shall prepare a third budget (which shall be deemed final).

4.2 ***Interference.*** Each of Host Licensee and Second Licensee shall use commercially reasonable efforts to avoid interference with their respective operations from the Transmission Facilities and to promptly resolve any interference that arises in connection with such operation. Neither party shall make changes or installations with respect to the Shared Transmission Path that will impair or interfere in any material respect with the other party’s signals or broadcast operations or use of the Shared Channel. In the event interference to such signals or operations does occur, the interfering party shall notify the other party in writing and take all commercially reasonable steps to correct such interference in all material respects as promptly as practicable, and in any event within twenty-four (24) hours’ notice.

4.3 ***Regulatory Obligations.***

(a) ***Individual Regulatory Obligations.*** Each party shall use commercially reasonable efforts to ensure ongoing operations of Host Station and Second Station, as applicable, consistent with good engineering practices and in a manner compliant with the Communications Laws. Such commercially reasonable efforts shall include, at minimum, prompt notice to the other party of material communications to and from the FCC that may relate to a station’s technical operations and frequent coordination to minimize any necessary disruptions to operations that may affect both stations. Each party shall be responsible for compliance with provisions of the Communications Laws pertaining to joint operations and their respective programming, personnel, finances and regulatory reporting obligations.

(b) ***FCC Conditions.*** If the FCC imposes a condition on the approval, performance, or terms and conditions of this Agreement that (i) has the effect of materially increasing the cost of performance by a party of its obligations under this Agreement, or (ii) that cancels, changes or supersedes any material term or provision of this Agreement (collectively

“**Regulatory Condition**”), then the parties shall negotiate in good faith to modify this Agreement in a manner consistent with the form, intent, and purpose of this Agreement and as may be necessary to comply with such Regulatory Condition, while maintaining to the greatest extent possible the benefit of the bargain of this Agreement prior to the imposition of such Regulatory Condition. Should the parties not be able to agree on modifications necessary to comply with such Regulatory Condition, then, upon written notice, either party may elect to submit the matter to binding arbitration pursuant to Section 4.6(c), such that arbitrators shall determine what modifications shall be necessary to comply with the Regulatory Condition and to maintain, to the greatest extent possible, the benefit of the bargain of this Agreement. In the event that the arbitrator(s) shall determine that no modification is possible that would both satisfy the Regulatory Condition and reasonably maintain the benefit of the bargain, either party may terminate this Agreement by written notice to the other.

4.4 ***Operating Expenses.***

(a) ***Shared Costs.*** In reimbursement for the shared ongoing operating expenses incurred by Host Licensee under this Agreement, Second Licensee shall pay to Host Licensee a reimbursement amount equal to the product of (i) that portion of spectrum allocated to Second Licensee pursuant to the Baseline Spectrum Allocation (expressed as a percentage of the whole amount of the licensed spectrum of Host Station) *multiplied* by (ii) the total out-of-pocket operating expenses reasonably incurred by Host Licensee to maintain the Shared Transmission Path. By way of illustration, *Schedule 4.4(a)* attached hereto identifies the categories of shared ongoing operating expenses subject to reimbursement pursuant to this Section 4.4(a), with the understanding that Host Licensee may from time to time during the Term update *Schedule 4.4(a)* to reflect new shared operations, changes in technology or other changed circumstances, consistent with good engineering practices. To the extent that any extension or modification of the Tower JV Agreement affects payment of amounts thereunder to be reimbursed by Second Licensee under this Agreement, it shall be subject to the prior written approval of both parties (which shall not be unreasonably withheld, delayed or conditioned). Host Licensee shall invoice Second Licensee on a quarterly basis for such expenses and Second Licensee agrees to pay such amounts within thirty (30) days of receiving such invoice, together with reasonable supporting documentation. Second Licensee shall not be responsible for reimbursing any expenses not made in accordance with this Agreement.

(b) ***Sole Costs.*** Each of Host Licensee and Second Licensee shall be solely responsible for (i) its insurance costs for the Shared Transmission Path, (ii) costs for any necessary microwave link between its station’s studio site and the Transmission Facilities, (iii) all expenses related to any equipment solely owned by it and located at the Transmission Facilities, and (iv) all of its expenses not related to the Shared Transmission Path.

4.5 ***Review and Consultation Regarding Operational Matters.***

(a) ***Identification of Principal Liaisons.*** In order to address ongoing operational, technical or engineering issues that may arise in the course of channel sharing (including spectrum allocation, improvements to the Shared Transmission Path), each party shall identify one or more officers or senior personnel with sufficient authority and technical experience to address such issues independently or otherwise expeditiously (the “***Principal Liaisons***”).

(b) ***Meeting Times.*** Without limiting Section 4.6 below, following the Commencement Date, the Principal Liaisons shall meet at such times or at such intervals as that parties may designate (but no less frequently than once every year), or upon the request of either party upon appropriate prior notice.

(c) ***Scope and Purpose of Review.***

(i) The Principal Liaisons shall review the Shared Operating Plan, the Shared Transmission Path, and the technical parameters of the Baseline Spectrum Allocation (including performance under such Baseline Spectrum Allocation), in view of technological, logistical, marketplace or regulatory changes and to otherwise facilitate cooperation with respect to channel sharing.

(ii) Without limiting the generality of the foregoing, the Principal Liaisons shall confer in good faith with respect to the matters contemplated in (A) Section 2.3 with respect to the application of new technologies to the Baseline Spectrum Allocation; (B) Section 3.2 with respect to Host Station repacking; (C) Section 3.4 with respect to the Shared Operating Plan; (D) Section 4.1(f) with respect to alteration to the Shared Transmission Path and potential new Shared Capital Expenditures; and (E) Section 4.6(a) with respect to matters subject to dispute.

4.6 ***Tiered Dispute Resolution.***

(a) ***Consultation of Principal Liaisons or Executive Officers.*** With respect to any issue, controversy or dispute between the parties, the Principal Liaisons shall confer in good faith and endeavor to resolve such matter. If the parties are unable to come to an agreement on a given matter through the Principal Liaisons, the parties’ respective executive officers (or their designees of appropriate seniority) shall meet and confer as provided in Section 4.5 in an attempt to resolve the issue.

(b) ***Special Master Consultation.*** If such discussions are unsuccessful, or if either party so elects, the matter may be submitted to a mutually agreeable independent third party with substantial experience and expertise in the business and operation of television broadcast stations (the “***Special Master***”) to serve as a non-binding mediator.

(c) ***Arbitration.*** If the parties are unable to resolve an issue in accordance with paragraphs (a) or (b) above in a timely manner with respect to any issue, controversy or dispute between the parties arising out of or related to (i) Section 4.4 or (ii) any other matter as mutually

agreed to by the parties, either party may submit the issue to binding arbitration pursuant to the arbitration procedures set forth on *Schedule 4.6(c)* (the “**Arbitration Procedures**”).

4.7 ***Surrender Upon Termination.*** At the end of the Term, or upon earlier termination of this Agreement, within (a) one (1) year following such termination due to any reason other than Second Licensee’s Material Breach, or (b) within 180 days following such termination if such termination is due to Second Licensee’s Material Breach, Second Licensee shall vacate the facilities comprising the Shared Transmission Path, move all of its assets and employees (if any) from such site, surrender the Shared Transmission Path in substantially the same condition existing on the Commencement Date (reasonable wear and tear excepted) and return to Host Licensee all keys and other means of entry to the Transmission Facilities and the Shared Transmission Path; provided that during such one (1) year or 180-day period, as applicable, Second Licensee shall be obligated to make all payment obligations of Second Licensee incurred during such period as if the Agreement were then in effect.

ARTICLE 5: ALLOCATIONS OF RISK

5.1 ***Mutual Representations and Warranties.*** Each party hereto represents and warrants to the other party hereto that as of the date hereof: (a) it is a corporation or limited liability company (as applicable) duly organized and validly existing under the laws of its place of organization; (b) it is in good standing in the jurisdiction of its organization and, if necessary, is qualified to do business in the state in which the Transmission Facilities are located; (c) it has full power and authority and has taken all corporate action necessary to enter into and perform this Agreement and to consummate the transactions contemplated hereby; (d) the execution, delivery and performance by it of its obligations hereunder will not constitute a breach of, or conflict with, any other material agreement or arrangement, whether written or oral, by which it is bound; (e) this Agreement is its legal, valid and binding obligation, enforceable in accordance with the terms and conditions hereof; (f) such party is in compliance in all material respects with all applicable laws and regulations with respect to the Incentive Auction, including the Channel Sharing Rules; and (g) it has obtained all FCC and any other governmental licenses, approvals and authorizations necessary for its operations on its station as currently operated by it.

5.2 ***Indemnification.*** Subject to Sections 5.4 and 5.5, and other than with respect to costs expressly subject to reimbursement hereunder, each of Host Licensee and Second Licensee shall indemnify, defend and hold harmless the other party and such party’s affiliates, directors, officers, employees, agents, representatives, and their respective successors and assigns, from and against any and all losses, liabilities, damages, costs and expenses (including reasonable attorneys’ fees) (collectively, “**Losses**”) resulting from, arising out of, or relating to:

(a) ***Breach of Representations and Warranties.*** Any breach of any representation or warranty made by the Indemnifying Party (as later defined) under this Agreement;

(b) ***Breach of Covenants.*** Failure to comply with the covenants and obligations to be performed by the Indemnifying Party under this Agreement;

(c) *Post Commencement Operations.* Solely with respect to the portion of the Term following the Commencement Date:

(i) The Indemnifying Party's business or operations or its acts or omissions, including its use of the Shared Transmission Path and its use of the Shared Channel;

(ii) The acts or omissions of the Indemnifying Party's contractors, or relating to the storage, treatment, release or other acts or omissions by such party in respect of hazardous materials;

(iii) The business and operation of the Indemnifying Party's station, including with respect to its use of the Shared Channel and the programming or advertising broadcast on such station, including with respect to indecency, libel, slander, infringement of trademarks or trade names, infringement of copyrights and proprietary rights, violation of rights of privacy and other violations of rights, the Communications Laws or other applicable laws; and

(iv) The Indemnifying Party's Sub-Sharing Arrangements with third parties, if any.

The indemnification obligations hereunder shall survive any termination of this Agreement.

5.3 *Indemnification Procedures.* Claims for indemnification pursuant to the terms and subject to the conditions of Section 5.2, shall be made in accordance with and subject to the indemnification procedures set forth on *Schedule 5.3* hereto.

5.4 *Limitations on Liability.* With respect to Direct Claims (as later defined), no party shall have any liability, whether based on contract, tort (including negligence or strict liability), warranty or any other legal or equitable grounds, for any punitive, consequential, indirect, exemplary, special or incidental loss or damage suffered by the other arising from or related to the performance or nonperformance of this Agreement, including loss of data, profits, interest or revenue or interruption of business, even if such party has been informed of or might otherwise have anticipated or foreseen the possibility of such Losses. Host Licensee hereby expressly disclaims any and all liability with respect to the Second Station, and Second Licensee hereby expressly disclaims any and all liability with respect to the Host Station.

5.5 *Disclaimer of Warranties.* EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, INCLUDING THE EXPRESS REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTIONS 2.6, 4.1, 5.1, AND 5.6, NEITHER PARTY MAKES ANY OTHER REPRESENTATIONS OR GRANTS ANY WARRANTY, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE AND EACH PARTY SPECIFICALLY DISCLAIMS ANY OTHER REPRESENTATIONS AND WARRANTIES, WHETHER WRITTEN OR ORAL, OR EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF QUALITY, STANDARD OF CARE OR METHOD OF PERFORMANCE WITH RESPECT TO THE MAINTENANCE AND OPERATION OF THE SHARED TRANSMISSION PATH.

5.6 ***Host Guarantee.***

(a) ***Scope and Nature of Host Guarantee.*** To induce Second Licensee to enter into this Agreement, Host Guarantor hereby absolutely, unconditionally and irrevocably guarantees (the “***Host Guarantee***”) to Second Licensee each and every representation, warranty, covenant and obligation of Host Licensee under this Agreement and the full and timely observance, payment, performance and discharge of Host Licensee’s obligations (payment and otherwise) under this Agreement, in each case in accordance with and subject to the provisions of this Agreement and in connection with the matters contemplated hereby (collectively, the “***Host Licensee Obligations***”). Host Guarantor represents and warrants to Second Licensee that this Host Guarantee is its legal, valid and binding obligation, enforceable in accordance with the terms and conditions hereof.

(b) ***Survival.*** The Host Guarantee shall survive termination or expiration of this Agreement in accordance with Section 6.3 solely with respect to, and to the extent of, (i) any Host Licensee Obligations that shall survive such termination or expiration by their terms or (ii) any Host Licensee Obligations that shall be accrued and outstanding as of such termination or expiration until discharged, and thereafter this Host Guarantee shall be deemed terminated without the requirement of further action; provided that the Host Guarantee shall cease and be of no further effect with respect to any liabilities or obligations which accrue after the effective date of an assignment of this Agreement by Host Licensee in accordance with the terms of Section 7.7 to any third party that is not an affiliate of Host Licensee.

ARTICLE 6: TERM, TERMINATION AND CERTAIN REMEDIES

6.1 ***Term.*** The term of this Agreement (the “***Term***”) shall begin on the date of this Agreement and shall continue in perpetuity (the “***Term***”) or until the earlier effective date of termination in accordance with Section 6.2 below.

6.2 ***Termination.*** This Agreement shall be subject to the termination as follows:

(a) ***Mutual Consent.*** The parties may terminate this Agreement at any time by mutual written agreement.

(b) ***No Successful Bid.*** In the event the Auction Results Notice does not designate Second Licensee’s bid as a Successful Bid, this Agreement shall automatically terminate without the requirement of further action by the parties.

(c) ***Upon a Change in Auction Election.*** Second Licensee may terminate this Agreement pursuant to the terms and subject to the conditions set forth in Paragraph 3 of *Schedule 1.1(a)*, which termination shall be effective upon notice of such termination as contemplated in Section 1.2(b)(iii).

(d) ***Material Breach.*** Either party shall have the right to terminate this Agreement by written notice to the other upon a Material Breach (as later defined) by the other party and subject to the following terms and conditions:

(i) A “**Material Breach**” shall be a breach of a material obligation under this Agreement that (A) results in a fundamental impairment of a party’s ability to broadcast on its station, or (B) constitutes a failure by a party to pay the other party any undisputed payment owed under this Agreement which is not cured within forty-five (45) days after written notice, as determined by a court of competent jurisdiction; and

(ii) The non-breaching party shall have provided at least 30 days prior written notice of such Material Breach to the party in alleged Material Breach, describing such Material Breach with reasonable specificity, and complied or stood ready to comply with the procedures set forth in Section 4.6.

(e) *Loss of License or Eligibility to Participate in Channel Sharing.* This Agreement shall automatically terminate upon:

(i) A final, non-appealable decision of the FCC confirming either party’s loss of the FCC license authorizing channel sharing (whether by surrender, termination or expiration of, or the FCC’s denial of a renewal application for, such license, or otherwise) (a “**Loss of License**”); or

(ii) A final, non-appealable decision by the FCC that either party is ineligible to participate in channel sharing arrangements.

(f) *Regulatory Condition.* Each party may terminate this Agreement upon a determination that this Agreement may not be modified to satisfy a Regulatory Condition pursuant to the terms and subject to the conditions of Section 4.3(b).

(g) *Legal Matters.* Prior to such time that Second Licensee’s participation in the Incentive Auction results in a Successful Bid, in the event that any Governmental Authority shall have issued an order, decree or ruling or taken any other action restraining, enjoining or otherwise prohibiting a party from engaging in the transactions contemplated by this Agreement, then such party may terminate this Agreement upon five days’ written notice to the other party. “Governmental Authority” shall mean any court, arbitrator, department, commission, board, bureau, agency, authority, instrumentality or other body, whether federal, state, municipal, foreign or other

(h) *Second Licensee Election.* Second Licensee may terminate this Agreement by written notice to Host Licensee pursuant to the terms and subject to the conditions of Paragraph 4(a) of *Schedule 1.1(a)*.

6.3 *Effect of Termination; Survival.*

(a) *Effect and Survival.* In the event of the termination of this Agreement pursuant to Section 6.2, this Agreement shall forthwith become null and void and have no effect, and the obligations of the parties under this Agreement shall terminate, except for Section 5.2, Section 5.3, Section 5.4, Section 5.5, Section 6.3, Article 7, and *Schedule 5.3*, all of which shall survive indefinitely, and Sections 5.6 and 6.4 which shall survive in accordance with their terms.

(b) *No Prejudice to Accrued Obligations.* Nothing in Section 6.2 nor this Section 6.3 shall relieve either party of any liability for a breach of this Agreement prior to the termination hereof. The expiration or termination of this Agreement will not relieve the parties of any liability or obligation which accrued hereunder prior to the effective date of such termination, including any payment obligations, nor preclude either party from pursuing all rights and remedies it may have hereunder or at law or in equity with respect to any breach of this Agreement nor prejudice either party's right to obtain performance of any obligation.

(c) *Reversion Rights.* In the event that this Agreement shall be terminated upon a Loss of License pursuant to the terms and subject to the conditions of Section 6.2(e), the spectrum usage rights with respect to the FCC license of the Exiting Party (later defined) shall revert to the Continuing Party (as later defined), and the Continuing Party may file an application with the FCC to change its FCC license to non-shared status, or, at its sole discretion, channel share with another party.

(d) *Payment to Second Licensee.* If this Agreement is terminated for any reason in accordance with its terms except due to a Material Breach by Second Licensee, Host Licensee shall, within ten (10) days of the date on which Second Licensee vacates the Transmission Facilities and surrenders the Shared Transmission Path, pay to Second Licensee an amount equal to its pro rata share (allocated between the parties on a basis proportional to the Baseline Spectrum Allocation) of the reasonably estimated then-current fair market value of any items of the Shared Transmission Path acquired by Host Licensee during the Term to which Second Licensee contributed acquisition funds.

6.4 *Equipment Option.* In the event that a party suffers a Loss of License (such party, the "**Exiting Party**") or if this Agreement is terminated by Second Licensee due to a Material Breach by Host Licensee, the other party (the "**Continuing Party**") shall have an option (the "**Equipment Option**") to acquire such party's interest in any portion of the Shared Transmission Path owned by the terminated licensee in consideration for the then-current fair market value. In the event of any such termination, expiration or non-renewal of license, the Exiting Party shall deliver written notice (the "**Option Notice**") to the Continuing Party within five (5) business days thereof. The Continuing Party may elect in its sole discretion to exercise the Equipment Option by delivery of written notice of such exercise (the "**Notice of Exercise**") to the Exiting Party no later than thirty (30) days following delivery of the Option Notice, which Notice of Exercise shall include the Continuing Party's reasonable good-faith determination of the then-current fair market value of the portion of the Shared Transmission Path owned by the Exiting Party which Continuing Party has elected to purchase. Any dispute between the parties as to such fair market value determination shall be resolved in accordance with Section 4.6. The purchased equipment shall be conveyed free and clear of liens, claims and encumbrances, and the parties shall cooperate in good faith to effectuate such sale and conveyance of assets as promptly as practicable.

6.5 *Payment Deficiency.* In the event of a default by Second Licensee of any of its payment obligations under this Agreement, which default is not cured within forty-five (45) days of written notice by Host Licensee of such payment default, and which default is not then being disputed in reasonable good faith by Second Licensee pursuant to Section 4.6(b), the amount due to Host Licensee shall be deemed to accrue interest from the date such payment was originally

due, calculated at an annual rate (but with interest accruing on a daily basis) of two percent (2%) above the prime rate as reported in *The Wall Street Journal* as of the date of such determination.

6.6 ***Specific Performance.*** In the event of failure or threatened failure by either party to comply with the terms of this Agreement, the other party shall be entitled to equitable relief restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by an order of specific performance requiring compliance with this Agreement.

6.7 ***Remedies Cumulative; Other Rights and Remedies.*** The rights and remedies of the parties hereto shall be cumulative and not alternative. Other than as expressly set forth herein, remedies in the event of breach of a party's obligations under this Agreement shall be limited to specific performance, injunctive relief, money damages or, in the case of Second Licensee, the right to offset against payments owed to Host Licensee.

ARTICLE 7: MISCELLANEOUS

7.1 Notices.

(a) ***General Notice Procedures.*** All notices, requests, demands and other communications that are required or may be given pursuant to the terms of this Agreement shall be in written or electronic form, and shall, when addressed to a party at the applicable address set forth on *Schedule 7.1* (or at such other address as a party may designate in accordance with this Section 7.1 upon ten (10) days' prior written notice to the other party) and when expressly and conspicuously referencing this Agreement, be deemed validly delivered (i) on the date of delivery when delivered in person or by a nationally recognized overnight courier service maintaining records of receipt, including Federal Express, DHL and United Parcel Service, and (ii) on the date of transmission when sent by facsimile or other electronic transmission during normal business hours; provided, however, that (y) any such communication delivered by facsimile or other electronic transmission shall only be effective if such communication is also delivered by hand or deposited with a reputable courier maintaining records of receipt within three (3) business days after its delivery by facsimile or other electronic transmission, and (z) the parties hereto acknowledge and agree that the burden of proving receipt of a facsimile or other electronic transmission shall be on the sender thereof. Notwithstanding anything herein to the contrary, a delivery of a notice, request, demand or other communication pursuant to the terms of this Agreement to an address, or by means of delivery, other than as specified above shall, if actually received by a party hereto, be deemed valid and effective as of the date of such receipt.

(b) ***Quiet Period Procedures.*** If any of the communications described in herein would be subject to the restrictions of the FCC Communication Prohibitions, then such communications shall be conducted between each party's Bidding Liaison.

7.2 Confidentiality.

(a) ***Scope.*** Subject to paragraph (b) below, each party hereto covenants and agrees that it will not at any time during the Term or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the performance of this

Agreement, any secret or confidential information of the other parties hereto, including the terms and conditions contained in this Agreement. The party receiving such confidential information shall take the same precautions as it takes to protect its own confidential information, but in all events reasonable precautions shall be taken, in order to preserve its confidentiality. Confidential information shall not be revealed to third parties (other than the parties' affiliates and their respective officers, employees, directors, attorneys, accountants and other legal and financial advisors who need to know such information) without the written consent of the disclosing party, and neither Host Licensee or Second Licensee may use the other party's confidential information for any purpose except for purposes of performing this Agreement.

(b) *FCC Obligations.* Notwithstanding paragraph (a) above, to the extent required by applicable law, including the Communications Laws, each party shall (i) file a copy of this Agreement with the FCC, and (ii) if and to the extent required following a Successful Bid, place a copy of this Agreement in its respective station's public inspection file; *provided*, that each party shall consult with the other party and agree upon the redaction of confidential and proprietary information contained herein (to the extent such redactions are permitted by the Channel Sharing Rules) from any copy of this Agreement that a party publicly files with the FCC or places in a station's public inspection file.

7.3 *Information.*

(a) *FCC Correspondence.* Each party shall notify the other party of any notices or other correspondence from the FCC with respect to the technical facilities of its station or the Shared Channel.

(b) *Litigation; Similar Proceedings.* If either party becomes subject to litigation or similar proceedings before the FCC (including initiation of enforcement actions), Internal Revenue Service or other court or governmental authority that is reasonably likely to have a material adverse effect on such party or its television station using or proposed to be using the Shared Channel, then it shall immediately provide written notice of such proceeding to the other party and provide all information with respect thereto as reasonably requested by the other party, subject to applicable law.

(c) *Bankruptcy.* If either party files a petition in bankruptcy, has an involuntary petition in bankruptcy filed against it which is not dismissed within sixty (60) days of the date of filing, files for reorganization or arranges for the appointment of a receiver or trustee in bankruptcy or reorganization of all or a substantial portion of its assets or of the assets related to its television station using or proposed to be using the Shared Channel, or it makes an assignment for such purposes for the benefit of creditors, then it shall immediately provide written notice of such proceeding to the other party and provide all information with respect thereto as reasonably requested by the other party.

7.4 *Fees and Expenses.*

(a) *Individual Costs.* Except as otherwise expressly provided in this Agreement, each party hereto shall pay all costs and expenses incurred by it or on its behalf in connection with the negotiation and drafting of this Agreement or otherwise in connection with

the transactions contemplated hereby and its performance hereunder, including fees and expenses of its respective financial consultants, accountants and counsel.

(b) *Principle of Cost Sharing.* Without limiting (i) the generality of paragraph (a) above, or (ii) the express terms and conditions of this Agreement with respect to the scope and manner of costs to be shared, the parties acknowledge and agree that in view of the potential duration of the Term that costs or fees relating to the Shared Transmission Path or the Shared Channel may arise during the Term and are not expressly addressed in this Agreement. Accordingly, the parties desire to establish the general principle and intention that such costs and fees be shared pro rata by the parties (on a basis proportional to the Baseline Spectrum Allocation) to reflect the limited cost-sharing arrangement contemplated hereby.

7.5 *Force Majeure.* Neither party shall be liable to the other for any default or delay in the performance of its non-monetary obligations under this Agreement to the extent that the default or delay is caused by an event outside of its reasonable control, including a fire, flood, earthquake, war, act of terrorism, labor dispute, government or court action, failure of facilities (unless reasonably arising from such party's failure to maintain or repair such facilities in accordance with the terms of this Agreement applicable to such party) or act of God.

7.6 *Governing Law; Venue.* This Agreement shall be governed by the laws of the State of New York, excluding any conflicts or choice-of-law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction. Without limiting the obligations of the parties with respect to any issue, dispute or controversy that is subject to the Arbitration Procedures as provided in this Agreement, the parties otherwise hereby irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the courts of the District of Columbia and the United States of America located in the District of Columbia, for any action, suits or proceedings arising out of or relating to this Agreement, and further agree that service of any process, summons, notice or document by U.S. certified mail shall be effective service of process for any action, suit or proceeding brought in any such court.

7.7 *Successors and Assigns.* This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns, if any. No party may assign this Agreement without the prior written consent of the other party, except for (a) Sub-Sharing Arrangements permitted pursuant to the terms and subject to the conditions of Section 2.2 and (b) assignments of rights to the Qualified Intermediary or similar party in connection with a like-kind exchange transaction in accordance with Section 1.7(b). Notwithstanding anything to the contrary contained herein, each party shall be obligated to assign this Agreement (a "**Mandatory Assignment**"), and without the requirement of the other party's consent, to any FCC-approved assignee or transferee of such party's station in connection with any assignment of FCC license or transfer of control with respect to the Host Station or Second Station, as applicable, and such assignee or transferee shall assume this Agreement in a writing delivered to the other party hereto. For the avoidance of doubt, no party shall sell, transfer, convey or assign all or substantially all of the non-license assets of its station to an unaffiliated third party without the primary FCC licenses for such station and the obligation of a Mandatory Assignment as provided hereunder.

7.8 **Waiver.** No failure on the part of any person to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any person in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy. No person shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such person, and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

7.9 **Amendments.** This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered on behalf of all of the parties hereto.

7.10 **Severability.** Except as otherwise provided in Section 4.3(b), if any covenant or provision hereof is determined by a court of competent jurisdiction to be void or unenforceable in whole or in part, it shall not, subject to the discretion of such court, be deemed to affect or impair the validity of any other covenant or provision, each of which is hereby declared to be separate and distinct. If any provision of this Agreement is so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable. If any provision of this Agreement is declared invalid or unenforceable for any reason other than overbreadth, the offending provision will be modified so as to maintain the essential benefits of the bargain between the parties hereto to the maximum extent possible, consistent with law and public policy.

7.11 **Relationship of the Parties.** Each of the parties hereto is an independent contractor. Nothing contained herein shall be deemed to create an employment, agency, joint venture, partnership or lessor/lessee relationship between the parties hereto or any of their employees, agents, officers, directors or other representatives, nor shall the parties file federal or state income tax returns in such manner, or any other legal arrangement that would impose liability upon one party for the act or failure to act of the other party. Neither party is granted hereby, and neither party shall hold itself out as having, any right or authority to enter into any contract, incur any liabilities, create any obligation or responsibility or make any representation or warranty, express or implied, on behalf of or in the name of the other party, or to otherwise bind the other party in any manner.

7.12 **No Third Party Beneficiaries.** None of the provisions of this Agreement is intended to provide any rights or remedies to any person other than the parties hereto and their respective successors and permitted assigns.

7.13 **Construction.**

(a) **Headings.** The headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

(b) *Certain Rules of Interpretation.* For purposes of this Agreement, whenever the context requires: (i) the singular number shall include the plural, and vice versa; (ii) the masculine gender shall include the feminine and neuter genders; (iii) the feminine gender shall include the masculine and neuter genders; and (iv) the neuter gender shall include the masculine and feminine genders. Except where the context requires otherwise, whenever used in this Agreement, the singular includes the plural, the plural includes the singular, the use of any gender is applicable to all genders and the word “or” has the inclusive meaning represented by the phrase “and/or.” The words “include” and “including” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.” Unless expressly provided otherwise, any reference herein to “dollars” or “\$” shall mean United States dollars. The use of the phrase “its station” or a variation thereof when used with respect to a party to this Agreement shall mean, in the case of Host Licensee, the Host Station, and in the case of Second Licensee, the Second Station. The term “business day” shall be deemed to refer to any day other than Saturday or Sunday or any other day on which banks in New York, New York or Washington, D.C. are authorized or obligated by applicable law to be closed.

(c) *Schedules and Exhibits.* Except as otherwise indicated, all references in this Agreement to “Sections,” “Schedules” and “Exhibits” are intended to refer to Sections of this Agreement and Schedules and Exhibits to this Agreement.

(d) *Neutral Construction.* Each of the parties hereto has been represented by legal counsel and the parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

7.14 ***Entire Agreement.*** This Agreement, together with the Schedules, Exhibits, and Annexes expressly contemplated hereby and attached hereto and the other agreements, certificates and documents delivered in connection herewith or otherwise in connection with the transactions contemplated hereby and thereby, contains the entire agreement between the parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements or understandings, whether written or oral, between the parties with respect to the subject matter hereof. Each of the parties acknowledges that in entering into this Agreement, it has not relied on any oral or written representation, warranty or other assurance (except as expressly provided for or referred to in this Agreement).

7.15 ***Counterparts.*** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The exchange of copies of this Agreement or amendments thereto and of signature pages by facsimile transmission or by email transmission in portable digital format, or similar format, shall constitute effective execution and delivery of such instrument(s) as to the parties and may be used in lieu of the original Agreement or amendment for all purposes. Signatures of the parties transmitted by facsimile or by email transmission in portable digital format, or similar format, shall be deemed to be their original signatures for all purposes.

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IN WITNESS WHEREOF, the parties have duly executed this Channel Sharing Agreement as of the date first set forth above.

HOST LICENSEE:

SECOND LICENSEE:

WUSA-TV, INC.

ENTRAVISION COMMUNICATIONS CORPORATION


By: 
Name: DAVID T. LOUGEE
Title: PRESIDENT

By: _____
Name: _____
Title: _____

HOST GUARANTOR:

BELO CORP.

ENTRAVISION HOLDINGS, LLC

By: 
Name: DAVID T. LOUGEE
Title: PRESIDENT

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties have duly executed this Channel Sharing Agreement as of the date first set forth above.

HOST LICENSEE:

WUSA-TV, Inc.

By: _____
Name: _____
Title: _____

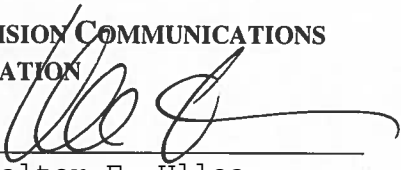
HOST GUARANTOR:

BELO CORP.

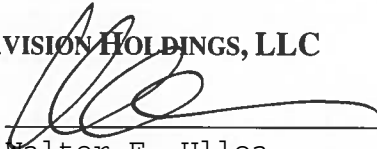
By: _____
Name: _____
Title: _____

SECOND LICENSEE:

ENTRAVISION COMMUNICATIONS CORPORATION

By: 
Name: Walter F. Ulloa
Title: Chairman & Chief Executive Officer

ENTRAVISION HOLDINGS, LLC

By: 
Name: Walter F. Ulloa
Title: Chairman & Chief Executive Officer

The following are the exhibits or schedules referenced in this Agreement and appended hereto:

<i>Document</i>	<i>Subject Matter</i>
<i>Exhibit A</i>	Definitions
<i>Schedule 1.1(a)</i>	Bid Procedures; Designation of Bidding Liaisons
<i>Schedule 1.1(b)</i>	Allocation of Incentive Auction Proceeds
<i>Schedule 2.1</i>	Baseline Spectrum Allocation
<i>Schedule 3.3(a)</i>	Shared Transmission Path
<i>Schedule 3.3(b)</i>	Initial Shared Capital Expenditures
<i>Schedule 4.4(a)</i>	Shared Costs
<i>Schedule 4.6(c)</i>	Arbitration Procedures
<i>Schedule 5.3</i>	Indemnification Procedures
<i>Schedule 7.1</i>	Notices

EXHIBIT A

Definitions

Defined Term	Section
AAA	<i>Schedule 4.6</i>
Agreement	Preamble
Application Instructions	Recitals
Application Procedures	Recitals
Arbitration Procedures	Section 4.6(c)
Arbitration Rules	<i>Schedule 4.6</i>
ATSC 3.0 Upgrade	Section 4.1(k)(iii)
Auction Proceeds	Section 1.4
Auction Results Notice	Section 1.2(b)(i)
Baseline Spectrum Allocation	<i>Schedule 2.1</i>
Bidding Liaison	Section 1.3(b)
Bidding Procedures	Recitals
Channel Sharing Notice	Section 1.2(b)(i)
Channel Sharing Order	Recitals
Channel Sharing Rules	Recitals
Code	Section 1.7(b)
Commencement Date	Section 3.1(a)
Communications Laws	Recitals
Communications Prohibition Guidance	Recitals
Continuing Party	Section 6.4
customary station practices	Section 4.1(a)
Defense Counsel	<i>Schedule 5.3</i>
Defense Notice	<i>Schedule 5.3</i>
Direct Claim	<i>Schedule 5.3</i>
Disbursement Clarification	Recitals
Electing Party	Section 1.7(e)
Entravision Holdings	Preamble
Equipment Option	Section 6.4
Escrow Account	Section 1.7(c)
Escrow Agent	Section 1.7(c)
Escrow Agreement	Section 1.7(c)
EVC	Preamble
Exiting Party	Section 6.4
FCC	Recitals
FCC Communication Prohibitions	Section 1.3(a)
First Order	Recitals
good engineering practices	Section 4.1(a)
Host Licensee	Preamble
Host Proceeds	Section 1.4
Host Repacking	Section 3.2
Host Station	Recitals

Incentive Auction	Recitals
Incentive Auction Application	Section 1.1
Incentive Auction Order	Recitals
Indemnified Party	<i>Schedule 5.3</i>
Indemnifying Party	<i>Schedule 5.3</i>
Loss of License	Section 6.2(e)(i)
Losses	Section 5.2
Mandatory Assignment	Section 7.7
Material Breach	Section 6.2(d)(i)
Market	Recitals
Notice of Exercise	Section 6.4
Omnibus Order	Recitals
Option Notice	Section 6.4
Peer Markets	Section 4.1(k)(ii)(2)(b)
Principal Liaisons	Section 4.5(a)
Qualified Intermediary	Section 1.7(b)
Quiet Period	Section 1.3(a)
Regulatory Condition	Section 4.3(b)
Reserve Price	<i>Schedule 1.1(a)</i>
SD Triggering Event	Section 6.5
Second Licensee	Preamble
Second Order	Recitals
Second Station	Recitals
Shared Capital Expenditures	Section 3.3(b)
Shared Channel	Recitals
Shared Equipment	Recitals
Shared Operating Plan	Section 3.4(a)
Shared Transmission Path	Recitals
Single SD Stream	Section 2.1
Special Master	Section 4.6(b)
Substantial Adoption	Section 4.1(k)(ii)(1)
Sub-Sharing Arrangement	Section 2.2
Successful Bid	Recitals
Term	Section 6.1
Third Party Claim	<i>Schedule 5.3</i>
Top Stations	Section 4.1(k)(ii)(2)(a)
Tower JV Agreement	Recitals
Transmission Facilities	Recitals

SCHEDULE 3.3(a)

Shared Transmission Path

The Shared Transmission Path shall include the following material items, which may be modified from time to time by the parties by mutual agreement as reasonably necessary to reflect new shared operations, changes in technology, or other changed circumstances.

Shared Transmission Path – Detail

At transmitter:

- a. Dish receiving antenna, at transmitter (individually owned)
- b. Elliptical waveguide from dish to receivers (individually owned)
- c. STL microwave receivers (individually owned)
- d. Supporting tower, if separate from broadcast antenna tower N/A

B. Program input & monitoring equipment:

1. Transport stream microwave receiver automatic changeover switch (individually owned)
2. Disaster recovery encoder for direct satellite feed(s) (shared capital)
3. Transport stream disaster recovery automatic changeover switch (shared capital)
4. Transport stream monitoring switch (individually owned)
5. Transport stream monitoring decoder(s) (Individually owned or shared capital)
6. Audio & video monitoring devices (shared capital or individually owned)
7. Transport stream data monitor device (if installed) (individually owned)
8. Transmission parameters (currently 8VSB) monitoring equipment (see #5)
9. Off-air monitoring receivers (if not individually owned) (shared capital)
10. Transmitter remote control system (shared capital for upgrades)

C. Broadcast transmitter equipment:

1. Main transmitter, including:
 - a. Exciter(s) Main-, Backup-
 - b. RF driver amplifiers
 - c. RF final power amplifiers
 - d. RF emission mask filter, if separate from backup transmitter
 - e. External cooling apparatus, if liquid cooled Harris single stage heat exchanger
 - f. Voltage regulator and/or transient suppressor, if used
 - g. Exciter/controller-only uninterruptible power supply, if used
2. Transmitter RF switch, if used Dielectric
3. System test dummy load & associated cooling apparatus
4. Indoor interconnecting transmission lines Dielectric
5. If using multichannel antenna provided by the site lessor, channel combiner filter N/A
6. If using individual, channel-specific antenna:
 - a. Transmission line to antenna Dielectric 8 3/16"
 - b. Transmitting antenna,
 - c. Supporting tower, if owned by station
7. If used, backup channel-specific antenna: N/A
 - a. Transmission line to antenna N/A
 - b. Transmitting antenna, including mounting brackets N/A

- c. Supporting tower, if owned and separate from main antenna tower N/A
- Backup Transmitter-

D. Supporting facilities:

- 1. Electric power distribution
 - a. Main and subsidiary distribution panels feeding all listed equipment
 - b. Transformers necessary to power all listed equipment
 - c. Distribution wiring from panels to listed equipment
 - d. Primary transient suppressor, if used See Section C letter f.
 - e. Uninterruptible power supply (UPS) or supplies feeding listed equipment See section C letter g.
 - 2. Backup electric power generation, if used
 - a. Engine-generator set
 - b. Automatic transfer switch
 - c. Fuel storage tank(s), if separate from engine-generator set
 - 3. Heating, ventilation, air conditioning (HVAC)
 - a. Air conditioner units, including outdoor heat exchanger units
 - b. Outside air fans, ductwork, and filters, if used yes
 - c. Redundancy controllers, if used N/A
 - d. Building monitoring system interfaces, if used Security and Fire
 - 4. Properties, if owned by station
 - a. Transmitter building
 - b. Site fencing, including tower fence if owned by station
 - c. Driveways and parking areas Paved
- d. Security monitoring system(s)

SCHEDULE 4.6(c)

Arbitration Procedures

(a) Pursuant to the terms and subject to the conditions of Section 4.6 of this Agreement, any dispute that shall not have been otherwise resolved in accordance with *such* Section 4.6 shall be referred to and finally resolved by arbitration in accordance with the Commercial Arbitration Rules (the “***Arbitration Rules***”) of the American Arbitration Association (the “***AAA***”), as then in effect, which Arbitration Rules are deemed to be incorporated by reference into this clause. The parties shall appoint one (1) arbitrator by mutual agreement. If the parties cannot agree on the appointment of an arbitrator within ten (10) business days after a party’s receipt of a demand for arbitration, the arbitrator shall be appointed by the AAA in accordance with the Arbitration Rules, in which case the potential arbitrators identified on the list provided by the AAA to the parties in accordance with such Arbitration Rules shall be, to the extent available, experienced with the business and operations of broadcast television stations and the broadcast television industry. The arbitrator shall have the exclusive right to determine the arbitrability of any disputes, controversies or claims. In the event of any conflict between the Arbitration Rules and any provisions of this Agreement, this Agreement shall govern. Except as the parties may agree, in no event shall a person serving, or who shall have served, as a Special Master under this Agreement be eligible to serve as an arbitrator hereunder.

(b) The place of arbitration shall be Washington, D.C.

(c) Judgment on the award entered in any arbitration shall be final and may be entered in any court having jurisdiction thereof. The prevailing party in the arbitration shall be entitled to recover its reasonable attorneys’ fees and costs, in addition to any other relief it may be awarded, and the arbitrator may (but shall not be required to) direct the parties to deposit funds against the payment of such costs. The parties agree that notifications of any proceedings, reports, communications, or any other document shall be sent as set forth in Section 7.1. Notwithstanding any provision of this *Schedule 4.6(c)* to the contrary, either party may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any interim or provisional relief, including equitable relief, that is necessary to protect the rights or property of such party or preserve the subject matter of the dispute, pending its final resolution and (as applicable) enforcement, pursuant to the terms and subject to the conditions of this *Schedule 4.6(c)*.

(d) Fees or payments owed to the arbitrator pursuant to the Arbitration Rules shall be borne by the parties on a basis proportional to the Baseline Spectrum Allocation.

SCHEDULE 5.3

Indemnification Procedures

Indemnification Procedures

- A. *Notice.* If any person entitled to indemnification under this Agreement (an “**Indemnified Party**”) asserts a claim for indemnification for, or receives notice of the assertion or commencement of any claim brought by a party other than an Indemnified Party as to which such Indemnified Party intends to seek indemnification under this Agreement (a “**Third Party Claim**”), such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an “**Indemnifying Party**”), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the “**Defense Notice**”) within fifteen (15) days after receipt from the Indemnified Party of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party (which notice shall specify the counsel the Indemnifying Party will appoint to defend such claim (“**Defense Counsel**”); *provided, however*, that the Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party.
- B. *Absence of Notice.* If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at its own expense, in the defense of such Third Party Claim; *provided, however*, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if (i) so requested by the Indemnifying Party to participate or (ii) in the reasonable opinion of counsel to the Indemnified Party, a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation advisable; and *provided, further*, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.
- C. *Right to Participate in Defense.* Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim

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

- D. *Amounts Due.* Without limiting the application of Section 4.6 of this Agreement as to the parties hereto, after any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.
- E. *Direct Claim.* It is the intent of the parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this *Schedule 5.3*. Any claim under Section 5.2 by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a “**Direct Claim**”) will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of twenty (20) days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20-day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this *Schedule 5.3*.
- F. *Failure to Notice.* A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this *Schedule 5.3* shall not affect the rights or obligations of either party hereunder, except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.
- G. *Insurance.* The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Losses (in which case such proceeds shall reduce such Losses). To the extent any Losses of an

Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Losses and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Losses.

The provisions of this *Schedule 5.3* shall survive termination.

SCHEDULE 7.1

Addresses for Required Notices

If to Host Licensee, to:

WUSA-TV, Inc.
c/o TEGNA Inc.
7950 Jones Branch Drive
McLean, Virginia 22107
Attention: Tom Cox
Fax: 703-854-2042
Email: tomcox@tegn.com

With a copy to:

TEGNA Inc.
7950 Jones Branch Drive
McLean, Virginia 22107
Attention: General Counsel
Email: tmayman@tegn.com

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

Paul Hastings LLP
875 15th Street NW
Washington, DC 20005
Attn: Eric Dodson Greenberg
Fax: 202-551-0343
Email: ericgreenberg@paulhastings.com

If to Second Licensee, to:

Entravision Communications Corporation
Suite 6000 West
2425 Olympic Boulevard
Santa Monica, CA 90404
Attn: Chief Executive Officer

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

Entravision Communications Corporation
Suite 6000 West
2425 Olympic Boulevard
Santa Monica, CA 90404
Attn: General Counsel