

**CHANNEL SHARING AGREEMENT  
BETWEEN  
KMTP-TV AND KCNZ-CD**

A copy of the Channel Sharing Agreement covering the instant application is attached. The schedules to the Channel Sharing Agreement have not been included, as they contain confidential, proprietary information and are not germane to the Commission's consideration of this application. See, *Application Procedures for Broadcast Incentive Auction Scheduled to Begin on March 29, 2016*, Public Notice, 30 FCC Rcd. 11034, 11049, para. 40, (2015) (explaining that the Commission "will allow applicants to redact confidential or proprietary terms" in CSAs submitted with LMS Form 2100).

**REDACTED COPY**

**CHANNEL SHARING AND FACILITIES AGREEMENT**

THIS CHANNEL SHARING AND FACILITIES AGREEMENT (this “Agreement”) is made as of March 5, 2018 between Poquito Mas Communications LLC, a Delaware limited liability company (“Sharer”) and Minority Television Project, Inc. (“Sharee”).

**Recitals**

A. Sharer owns and operates the following television broadcast station, including its primary and all multicast streams (“Sharer’s Station”) pursuant to licenses issued by the Federal Communications Commission (the “FCC”):

KCNZ-CD, San Francisco, California (FCC Facility ID #52887)

B. Sharee owns and operates the following television broadcast station, including its primary and all multicast streams (“Sharee’s Station”) pursuant to licenses issued by the FCC:

KMTP-TV, San Francisco, California (FCC Facility ID #43095)

C. Sharee has been designated as a winning bidder for Sharee’s Station in the Incentive Auction (defined below). Sharee will relinquish the spectrum of Sharee’s Station, and Sharer and Sharee will share Sharer’s Station’s channel (the “Shared Channel”) pursuant to licenses to be issued by the FCC to Sharer and Sharee.

E. Sharer owns or operates certain assets, including the transmitter, located at San Bruno Mountain, Radio Road, Daly City, California (as it may change from time to time, the “Transmitter Site”), which Transmitter Site is leased pursuant to that certain License Agreement dated March 31, 2004 with American Tower, L.P. (successor to Verestar Inc. fka ATC Teleports, Inc.) (as modified or replaced from time to time, the “Transmission Facilities Lease”) and other equipment necessary for channel sharing that will be used by Sharer and Sharee in the operation of their respective stations broadcasting on the Shared Channel (as modified or replaced from time to time, the “Shared Equipment,” and together with the Transmitter Site, the “Transmission Facilities”).

F. Sharer and Sharee desire to enter into an agreement that is in accordance with existing and future FCC rules and published policies governing the broadcast incentive auction conducted by 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) (“Incentive Auction”)) and channel sharing agreements, including without limitation the Report and Order adopted in ET Docket No. 10-235, released April 27, 2012 (the “Channel Sharing Order”), the Report and Order adopted in GN Docket No. 12-268, released June 2, 2014 (the “Incentive Auction Order”), the First Order on Reconsideration and Notice of Proposed Rulemaking adopted in GN Docket No. 12-268, released June 12, 2015 (the “First Order”), the Second Order on Reconsideration adopted in GN Docket No. 12-268, released June 19, 2015 (the “Omnibus Order”), the Second Order on Reconsideration in GN Docket No. 12-268, adopted October 21, 2015 (the “Second Order”), the Public Notices adopted in MB Docket No. 16-306 and GN Docket No. 12-268, released January 27, 2017 (the “Transition Public Notices”), the Report and Order adopted in GN

Docket No. 12-268, MB Docket No. 03-185, and MB Docket No. 15-137, released on March 24, 2017 (the “Expanded Sharing Order”), the Public Notice adopted in AU Docket No. 14-252, GN Docket No. 12-268, WT Docket No. 12-269, and MB Docket No. 16-306, released on April 13, 2017 (the “Auction Closing Public Notice”), and the FCC regulations adopted at 47 C.F.R. §§ 1.2200-1.2209 and 73.3700, as amended (together with the Channel Sharing Order, the Incentive Auction Order, the First Order, the Omnibus Order, the Second Order, the Transition Public Notices, and the Expanded Sharing Order, and any other FCC orders or public notices relating to the Incentive Auction and channel sharing, the “Channel Sharing Rules”) on the terms set forth in this Agreement.

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: COMMENCEMENT AND FEE

1.1. Term. The term of this Agreement (the “Term”) will begin on the date of this Agreement and, unless earlier terminated in accordance with this Agreement, will continue until April 15, 2019.

1.2. Commencement of Shared Operations.

(a) The parties shall cooperate to transition Sharee’s Station to the Shared Channel and the Transmission Facilities on a mutually agreeable date determined by the parties in good faith within the time required under the Channel Sharing Rules and as soon as reasonably practicable following FCC approval of this Agreement and issuance of the CP (as defined in Section 1.3) and after the end of the 30-day period required to notify viewers and multichannel video programming distributors (“MVPDs”) (the “Notice Period”). Sharee shall timely transmit the required notices to viewers and MVPDs to inform them of the termination of operations on Sharee’s preauction channel and initiation of operations on the Shared Channel. The date on which Sharee begins broadcasting Sharee’s Station on the Shared Channel pursuant to program test authority is the “Commencement Date.”

(b) Sharee shall be solely responsible for all costs associated with the move of Sharee’s Station to the Transmission Facilities and for any other costs that relate solely to Sharee’s Station.

1.3. FCC Filings. Within five (5) business days after payment of the Initial Payment (as defined on *Schedule 1.4*), Sharee shall file with the FCC and thereafter diligently prosecute a minor change application for a construction permit for Sharee’s Station in order to implement this Agreement (the “CP”) (and, if required, include with such application a copy of this Agreement with appropriate redactions of confidential information). Sharer shall furnish Sharee with such information and assistance as Sharee may reasonably request in connection with Sharee’s preparation of such application (or the covering license application). All costs and FCC

filing fees (if any) associated with the minor change application and the covering license application shall be paid by Sharee. Neither party shall take any action that would reasonably be expected to result in the dismissal of the FCC application for the CP or the covering license application. The parties shall cooperate in good faith in preparing, submitting, and prosecuting any other applications with the FCC that may be necessary to implement the sharing arrangement contemplated by this Agreement, including without limitation license applications for the Shared Channel. Within five (5) business days after the Commencement Date, Sharee shall file and thereafter diligently prosecute a license application to cover the CP.

1.4. Sharing Fee. In consideration for Sharee's right to use the Shared Channel as set forth in this Agreement, Sharee shall pay Sharer the amount set forth on *Schedule 1.4* (the "Sharing Fee") on the dates set forth on such Schedule.

1.5. Repacking. Sharer's Station is being moved to a different frequency in connection with the repacking following the Incentive Auction (the "Repacking"). In connection with the Repacking, Sharer shall determine any modifications needed to the Transmission Facilities and shall determine whether or not to acquire equipment that may not be reimbursed by the TV Broadcaster Relocation Fund (or other governmental authority).

## ARTICLE 2: CAPACITY AND FCC LICENSES

2.1. Allocation of Bandwidth. Pursuant to the Channel Sharing Rules, from and after the Commencement Date, Sharer and Sharee shall share the 6 MHz Shared Channel (or 19.39 Megabits per second ("Mb/s")) as allocated under the current ATSC 1.0 system) in accordance with the allocation set forth on *Schedule 2.1*. Sharer and Sharee may change the allocation of bandwidth set forth on *Schedule 2.1* at any time as they may mutually agree, provided that any allocation shall comply with the FCC's requirements and, at a minimum, shall provide 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 Standard Definition over-the-air program stream at all times.

2.2. Encoding. In order to take advantage of a Stat Mux pool, Sharer and Sharee may implement a single common encoding pool. Each of Sharer and Sharee shall have the right to monitor and audit the Shared Channel's encoding system to ensure compliance with Section 2.1 above. Each of Sharer and Sharee shall make all records of such encoding available to the other upon reasonable written request during normal business hours.

### 2.3. Technical Changes.

(a) Mandatory Changes. In the event that the FCC requires new standards of modulation or other technical or other modifications to the operation of the Transmission Facilities or the Shared Channel, the parties will timely make any such modifications in compliance with such requirements established by the FCC. Sharee shall reimburse Sharer for its pro rata share (in accordance with the then-current capacity allocation) of the costs to implement such modulation or technical changes. The pro rata share calculation shall include an estimate of the useful life of the modification or technical change in relation to the period of time remaining under this Agreement. In the event that such changes alter the available bandwidth on

the Shared Channel, Sharer, Sharee and any other users of spectrum on the Shared Channel will cooperate to divide the available bandwidth following such modifications.

(b) New Transmission Technologies. Sharer shall determine if and when to adopt or deploy the new modulation standard or transmission technology currently known within the television industry as ATSC 3.0 ("ATSC 3.0 Upgrade") for the Shared Channel. Any budget and timeline for implementing the ATSC 3.0 Upgrade shall be determined by Sharer, with reasonable good faith prior notice to Sharee, and shall comply with applicable FCC rules and regulations and meet generally accepted industry standards. Sharee shall reimburse Sharer for its pro rata share (in accordance with the then-current capacity allocation) of the costs to implement the ATSC 3.0 Upgrade. The pro rata share calculation shall include an estimate of the useful life of the ATSC 3.0 Upgrade in relation to the period of time remaining under this Agreement. In the event that such changes alter the available bandwidth on the Shared Channel, Sharer, Sharee and any other users of spectrum on the Shared Channel will cooperate to divide the available bandwidth following such modifications.

(c) Other Upgrades. Except as provided in Section 2.3(a) or (b), nothing in this Agreement is intended to prohibit either Sharer or Sharee from implementing new transmission systems or new technical standards for its station using the Shared Channel, unless any such new system or standard could reasonably be expected to (i) materially adversely affect the other party's station or the Shared Channel or (ii) require the other party to make a material change in its operations, in which event the other party's consent (not to be unreasonably withheld, delayed or conditioned) shall be required prior to implementing such new system or standard.

2.4. Transmissions. Each of Sharer and Sharee shall be responsible, at its sole expense, for delivering its station's programming in a broadcast-ready final format to the Transmitter Site or other receive site designated by Sharer. Sharer shall transmit content provided by Sharee using the Shared Equipment. Except as provided herein, Sharer shall not alter the content provided by Sharee; provided, however that Sharer may (i) encode, compress or modulate the content as required to multiplex together Sharer and Sharee content streams using the parameters agreed to in this Agreement and (ii) combine the transmitted information into a common PSIP format for transmission as agreed to in this Agreement.

2.5. Use of Capacity. Each party shall have the right to use its allocated capacity on the Shared Channel in such party's sole discretion in accordance with the terms of this Agreement and all FCC rules and regulations, including without limitation broadcasting one stream or multiple streams and broadcasting content provided by third parties; provided that (i) a third party programmer shall not have the right to access the Shared Equipment without Sharer's prior written approval, and (ii) a party shall be responsible for all costs associated with adding additional program streams requested by it to the encoding pool. Sharer shall have the right, in its sole discretion to enter into additional channel sharing agreements within its allocated capacity. Sharee shall not enter into additional channel sharing agreements or sub-sharing agreements within its allocated capacity.

2.6. FCC Licenses.

(a) Authorizations. Each of Sharer and Sharee represents and warrants to the other that it has obtained all main station FCC licenses necessary for its operations on its respective station as currently operated by it. Each of Sharer and Sharee shall maintain all such main station FCC licenses necessary to perform this Agreement in full force and effect during the Term. Each party will promptly notify the other of any material communications to or from the FCC that relate to either the Shared Channel or this Agreement. 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. Sharer shall comply with this Agreement, the Channel Sharing Rules, and with all FCC and other applicable laws with respect to its ownership and operation of Sharer's Station and its use of the Shared Channel, and Sharee shall comply with this Agreement, the Channel Sharing Rules and with all FCC and other applicable laws with respect to its ownership and operation of Sharee's Station and its use of the Shared Channel. Sharer shall be solely responsible for all content it transmits on the Shared Channel, and Sharee shall be solely responsible for all content it transmits on the Shared Channel. The obligations of the parties under this Agreement are subject to the rules, regulations and policies of the FCC and all other applicable laws. In the event that the FCC adopts changes to the Channel Sharing Rules, the parties will undertake good faith negotiations to amend this Agreement in order to comply with such changes to the Channel Sharing Rules.

(c) Control. Consistent with FCC rules, Sharer shall control, supervise and direct the day-to-day operation of Sharer's Station (including Sharer's employees, programming and finances), and Sharee shall control, supervise and direct the day-to-day operation of Sharee's Station (including Sharee's employees, programming and finances), and nothing in this Agreement affects any such respective responsibilities. Neither Sharer nor Sharee shall hold itself out as the licensee of the other's television station using the Shared Channel, and nothing in this Agreement shall give either party an ownership interest in the other party's station. Neither Sharer nor Sharee shall use the call letters of the other's television station in any medium in a false or misleading manner or in a manner suggesting common ownership, control or association.

(d) FCC Fees. Each of Sharer and Sharee 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.

(e) Cooperation. Each of Sharer and Sharee shall cooperate with the other 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 Transmission Facilities that do not deprive it of the benefits of this Agreement or require it to incur obligations or liabilities not contemplated by this Agreement. Neither Sharer nor Sharee shall take any action that interferes with or is reasonably likely to interfere with the other's use of capacity on the Shared Channel or the Transmission Facilities as contemplated by this Agreement.

2.7. Carriage Rights. Each party shall be solely responsible for exercising must-carry and retransmission consent rights (or any other right of distribution) for its respective station, and neither party shall have any use, claim, or benefit of, or derive any carriage rights from or have

any obligation under any carriage agreement of the other party. If a party electing must-carry rights becomes subject to a “market modification” or similar petition filed by any MVPD with respect to carriage of its station subject to this Agreement, it shall, within five (5) business days of receipt, notify the other party and provide a copy of such petition.

### ARTICLE 3: OPERATIONS

#### 3.1. Transmission Facilities.

(a) Transmitter Site. Subject to the Transmission Facilities Lease, Sharer shall provide Sharee with access to and use of the Transmission Facilities (sufficient for Sharee to comply with FCC rules and execute its rights under this Agreement) during normal business hours and upon 24 hours notice outside of normal business hours. The parties shall comply with and not act contrary to the terms of the Transmission Facilities Lease (and not take any action that would cause Sharer to be in breach of or default under the Transmission Facilities Lease). Sharee shall not permit to exist any lien, claim or encumbrance on the Transmission Facilities or make alterations to the Transmission Facilities (except in accordance with this Agreement). Sharee may use the Transmission Facilities only for the operation of Sharee’s Station in the ordinary course of business and for no other purpose. Each of Sharer and Sharee shall comply in all material respects with all federal, state and local laws applicable to its operations using the Transmission Facilities. Each of Sharer and Sharee shall maintain, at its own expense, sufficient insurance with a reputable insurance company with respect to its use of the Shared Equipment and operations from the Transmitter Site during the Term and shall name the other party as an additional insured under such policies.

#### (b) Shared Equipment.

(i) A list of material items of Shared Equipment as of the date of this Agreement has been prepared and separately agreed to by the parties. Title to all Shared Equipment shall remain with Sharer, and Sharee shall not move, damage, impair or interfere with such equipment. The shared use under this Agreement does not constitute a conveyance of title. Sharee may use the Shared Equipment only in the ordinary course of operation of Sharee’s Station and for no other purpose.

(ii) During the Term, subject to the expense sharing under Section 3.5, Sharer shall operate, maintain and repair the shared Transmission Facilities in accordance with past practice. If at any time the Shared Channel is off the air or operating at a reduced power level, Sharer shall use commercially reasonable efforts to return the Shared Channel to the air and restore power as promptly as possible. In the event the Shared Channel is off air or operating at reduced power for a period longer than thirty (30) days, the Sharing Fee previously paid by Sharee to Sharer shall be reduced on a pro rata basis for each additional day beyond thirty (30) days that the Shared Channel is off the air or operating at a reduced power level, and Sharer shall refund such pro rata reduction.

(c) Exclusive Equipment. Subject to any restrictions imposed by the Transmission Facilities Lease, Sharee may install equipment owned solely by it at the Transmitter Site that is acceptable to Sharer (such consent not to be unreasonably withheld,

delayed or conditioned) and is consistent with the Transmission Facilities Lease. Each of Sharer and Sharee shall, at its own expense, maintain, repair and replace any equipment owned or leased solely by it located at the Transmitter Site in accordance with past practice. Title to all such equipment solely owned by Sharer or Sharee shall remain with such party, and the other party shall not move, repair, damage or interfere with any such equipment.

(d) Contractors. All contractors and subcontractors of Sharee who perform any service for Sharee at the Transmitter Site 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 of California in commercially reasonable amounts.

(e) Hazardous Materials. Each of Sharer and Sharee shall: (i) comply with all environmental laws applicable to its operations from the Transmitter Site, (ii) not cause or permit the release of any hazardous materials on, to or from the Transmitter Site in violation of any applicable environmental laws, (iii) not take any action that would subject the Transmitter Site to any permit requirements for storage, treatment or disposal of hazardous materials and (iv) not dispose of hazardous materials on the Transmitter Site except in compliance with applicable law.

3.2. Interference. Each of Sharer and Sharee shall use commercially reasonable efforts to avoid interference by its respective operations from the Transmitter Site and to promptly resolve any interference that arises in connection with such operation. In the event interference to such signals or operations does occur, the party experiencing interference shall notify the other party in writing and the party so notified shall take all commercially reasonable steps to correct such interference in all material respects as promptly as practicable, and in any event within two calendar days of notice of such interference. Sharee may not make changes or installations at the Transmitter Site or enter into any third-party arrangement that could reasonably be expected to impair or interfere in any material respect with the Shared Channel.

3.3. Cooperation. In the event it is necessary for Sharee to reduce, limit or temporarily cease use of the Shared Equipment, the Shared Channel or its own equipment located at the Transmitter Site so that Sharer may install, maintain, repair, remove or otherwise work upon its broadcast equipment or the Shared Equipment at the Transmitter Site, Sharee shall cooperate in a commercially reasonable manner. If necessary, Sharee shall temporarily reduce, limit or cease use of the Shared Equipment, the Shared Channel or its own equipment located at the Transmitter Site, provided that Sharer takes all reasonable steps to minimize the amount of time Sharee shall operate with reduced facilities and that Sharer takes all reasonable steps to schedule such installation, maintenance, repairs, removal or work at a commercially reasonable time convenient to Sharee.

3.4. Force Majeure. Neither party shall be liable to the other for any failure 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 without limitation a fire, flood, earthquake, war, act of terrorism, labor dispute, government or court action, failure of facilities or act of God.



3.5. Expenses.

(a) Shared Costs. Sharee shall reimburse Sharer for certain expenses related to the Transmission Facilities and the Shared Channel in accordance with *Schedule 3.5*.

(b) Sole Costs. Each of Sharer and Sharee shall be solely responsible for its own insurance costs for the Transmission Facilities, costs for any necessary microwave or other link between its station's studio site and the Transmitter Site (or other receive site designated by Sharer), any capital expenses related solely to its station using the Shared Channel and all of its own expenses not directly related to the Transmission Facilities. Sharee shall be solely responsible for the costs of delivering its signal to the Transmitter Site.

3.6. Consultation Regarding Operational Matters. In order to address ongoing operational, technical or engineering issues that may arise prior to or following the Commencement Date, 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"). The Principal Liaisons shall meet at such times as the parties may reasonably designate in good faith or upon the reasonable request of either party upon appropriate prior notice, to confer in good faith to address matters related to shared operations, including without limitation discussing technological, logistical or marketplace changes that may affect the Transmission Facilities, reviewing the technical parameters of this Agreement and generally facilitating cooperation with respect to channel sharing. Meetings of the Principal Liaisons may include such other employees or designees of a party as may be desirable.

**ARTICLE 4: INDEMNIFICATION**

4.1. General Indemnification. Subject to Section 4.3, each of Sharer and Sharee shall indemnify, defend and hold the other harmless from and against any and all loss, liability, cost and expense (including reasonable attorneys' fees) arising from: (i) any breach of any representation or warranty made by it under this Agreement, (ii) failure to comply with the covenants and obligations to be performed by it under this Agreement and (iii) its use of the Transmission Facilities or the Shared Channel. Neither party shall have any obligation or liability with respect to the other party's station, except as may be otherwise set forth in this Agreement with respect to certain shared expenses. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement shall be entitled to recover reasonable attorneys' fees and costs from the non-prevailing party.

4.2. Specific Indemnification. Without limiting the terms of Section 4.1, subject to Section 4.3:

(a) Sharee shall indemnify, defend and hold Sharer harmless from and against any and all loss, liability, cost and expense (including reasonable attorneys' fees) arising from the termination by Sharee of its current transmitter site leases with respect to Sharee's Station; and

(b) each of Sharer and Sharee shall indemnify, defend and hold the other harmless from and against any and all loss, liability, cost and expense (including reasonable attorneys' fees) arising from the programming, advertising and operation of its television station using the Shared Channel, including without limitation for 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 or FCC rules or other applicable law.

4.3. Liability. In no event shall either party 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 or damages.

4.4. Indemnification Procedures. The party seeking indemnification hereunder will (i) give the indemnifying party notice of the relevant claim, (ii) cooperate with the indemnifying party, at the indemnifying party's expense, in the defense of such claim and (iii) give the indemnifying party the right to control the defense and settlement of any such claim, except that the indemnifying party shall not enter into any settlement without the indemnified party's prior written approval. The indemnified party shall have no authority to settle any claim on behalf of the indemnifying party.

4.5. Survival. The parties' obligations under this Article 4 shall survive any termination or expiration of this Agreement.

## ARTICLE 5: TERMINATION AND REMEDIES

### 5.1. Termination.

#### (a) Breach.

(i) Either party may terminate this Agreement by written notice to the other party in the event of a breach or default by a party of this Agreement that results in a fundamental impairment of the non-breaching party's ability to broadcast its programming on the Shared Channel, which is not cured within thirty (30) days after written notice of such breach or default.

(ii) Sharer may terminate this Agreement by written notice to Sharee in the event Sharee's breach or default of this Agreement results in material damage to the Transmission Facilities, which is not cured within thirty (30) days after written notice of such breach or default.

(iii) Sharer may terminate this Agreement by written notice to Sharee in the event Sharer fails to make any payment due under this Agreement (unless disputed in good faith with a reasonable basis for such dispute); provided, however, that no such cure periods shall apply to payment of the Sharing Fee.

(iv) If Sharee defaults in any of its payment obligations under this Agreement, Sharer shall have the right to reduce the spectrum allocated to Sharee to the amount necessary for Sharee to provide one (1) Standard Definition (SD) program stream until such time as all outstanding unpaid amounts are paid.

(b) Loss of License.

(i) If Sharee's FCC authorization to operate on the Shared Channel is voluntarily or involuntarily revoked, rescinded, relinquished, canceled, withdrawn, surrendered, not renewed, or otherwise terminated for any reason, and such action is final and no longer appealable, then simultaneously therewith Sharee's spectrum usage rights for the Shared Channel shall revert to Sharer (subject to any necessary FCC approval) and this Agreement shall terminate. In such event, the parties shall make and prosecute such FCC filings and take such further actions as applicable and as may be reasonably necessary for Sharer to assume such spectrum.

(ii) If Sharer's FCC authorization to operate on the Shared Channel is voluntarily or involuntarily revoked, rescinded, relinquished, canceled, withdrawn, surrendered, not renewed, or otherwise terminated for any reason, then without limitation of Sharee's other rights or remedies, (A) Sharer shall immediately notify Sharee and (B) Sharee may terminate this Agreement by written notice to Sharer or may continue to use the Shared Channel to the extent permitted by this Agreement, but shall have no right to use Sharer's portion of the Shared Channel. If Sharee elects to terminate this Agreement, Sharer shall cooperate with Sharee with respect to extracting Sharee's equipment related to the Shared Channel from the Transmission Facilities (but Sharee shall not be entitled to any equipment owned by Sharer).

(c) Bankruptcy. Sharer or Sharee may terminate this Agreement by written notice to the other party upon (i) the filing of an involuntary petition in bankruptcy against the other party which is not dismissed within sixty (60) days of the date of filing, (ii) the other party making an assignment for the benefit of creditors or (iii) the other party's dissolution or ceasing to do business.

(d) Surrender. At the end of the Term (or upon any earlier termination of this Agreement), Sharee shall vacate the Transmitter Site, move all of its assets and employees (if any) from such site, surrender the Shared Equipment in substantially the same condition existing on the Commencement Date (reasonable wear and tear excepted), and return all keys and other means of entry to Sharer.

(e) Survival. No termination shall relieve a party of liability for failure to comply with this Agreement prior to termination. Notwithstanding anything herein to the contrary, Article 4, Sections 3.5, 5.1(b), (d) and (e), 6.1 and 6.10 and all payment obligations arising prior to termination shall survive any termination of this Agreement. In the event this Agreement expires by its terms or is terminated pursuant to Section 5.1, from and after any such termination, Sharer shall retain the exclusive right to use the Shared Channel, and Sharee shall have no further right to use the Shared Channel.

5.2. Specific Performance. In addition to any other available remedies, in the event of failure or threatened failure by a party to comply with the terms of this Agreement, the other party shall be entitled to an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, to enforcement of this Agreement by a decree of specific performance requiring compliance with this Agreement.

5.3. Remedies Cumulative. All rights and remedies provided in this Agreement are cumulative and not exclusive of any other rights or remedies that may be available to the parties, whether provided by law, equity, statute, in any other agreement between the parties or otherwise.

#### ARTICLE 6: MISCELLANEOUS

6.1. Confidentiality. Subject to the requirements of applicable law, all non-public information regarding the parties and their respective businesses and properties that is disclosed by one party to the other in connection with the negotiation, execution or performance of this Agreement (including without limitation any financial information) shall be confidential and shall not be disclosed to any other person or entity, except on a confidential basis to the parties' representatives. No party shall issue or cause the publication of any press release or other public statement relating to this Agreement or disclose the existence of or details regarding this Agreement to any unaffiliated third party without the prior written consent of the other party. Notwithstanding anything to the contrary herein, the parties acknowledge that Sharee will be required to submit this Agreement (with redactions agreed to by the parties) with its application for the CP. This Section shall survive any termination or expiration of this Agreement.

6.2. Authority. Each of Sharer and Sharee represents and warrants to the other that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) it is in good standing in the jurisdiction of its organization and, if necessary, is qualified to do business in the state of California, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound and (v) the ownership and operation of its station subject to this Agreement complies with FCC rules, regulations and policies and all other applicable laws in all material respects.

6.3. Assignment. Sharer shall assign this Agreement to any FCC-approved assignee or transferee of Sharer's Station, and Sharee shall assign this Agreement to any other FCC-approved assignee or transferee of Sharee's Station, and neither party may otherwise assign this Agreement without the prior written consent of the other party. Notwithstanding the foregoing, either party may assign this Agreement to an affiliate that controls, is controlled by, or is under common control with such party upon written notice to, but without obtaining consent, from the other party. In all cases, the assigning party shall provide at least 30 days written notice to the other party of any such assignment or transfer. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns. No assignment shall relieve any party of any obligation or liability under this Agreement. Nothing in this

Agreement expressed or implied is intended or shall be construed to give any rights to any person or entity other than the parties hereto and their successors and permitted assigns.

6.4. Information. 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, or 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.

6.5. Severability. The transactions contemplated by this Agreement are intended to comply with the Communications Act of 1934, as amended, and the rules and published policies of the FCC. If any court or governmental authority holds any provision of this Agreement invalid, illegal, or unenforceable under any applicable law, then so long as no party is deprived of the benefits of this Agreement in any material respect, this Agreement shall be construed with the invalid, illegal or unenforceable provision deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby, and the parties shall negotiate in good faith to amend this Agreement, if necessary and as appropriate, to accommodate such ruling.

6.6. Notices. Any notice pursuant to this Agreement shall be in writing and shall be deemed delivered on the date of personal delivery or confirmed delivery by a nationally recognized overnight courier service, or on the third day after prepaid mailing by certified U.S. mail, return receipt requested, and shall be addressed as follows (or to such other address as any party may request by written notice):

if to Sharer: Poquito Mas Communications LLC  
15200 Sunset Boulevard, Suite 202  
Pacific Palisades, CA 90272  
Attention: Randy E. Nonberg

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

Wiley Rein LLP  
1776 K Street, N.W.  
Washington, D.C. 20006  
Attention: Kathleen Kirby  
Jessica Rosenthal

if to Sharee: Minority Television Project, Inc.  
710 Woodside Way  
San Mateo, CA 94401  
Attention: Booker Wade

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

Rubin, Winston, Diercks, Harris & Cooke, LLP

1201 Connecticut Avenue, N.W., Suite 200  
Washington, D.C. 20036  
Attention: James L. Winston

6.7. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of California without giving effect to the choice of law provisions thereof. The prevailing party in a lawsuit brought to enforce the performance or compliance of any provision of this Agreement may recover reasonable attorneys' fees and costs from the non-prevailing party.

6.8. Issue Resolution Process. In the event of any controversy or claim arising out of or relating to this Agreement, the parties shall consult and negotiate in good faith with each other and, recognizing their mutual interests, attempt to reach a solution satisfactory to the parties through consultations among their respective senior executives. If the issue remains unresolved for a period of sixty (60) days, then the parties may elect to submit the disputed matter to a mutually agreeable independent third party with substantial experience and expertise in the business and operation of television broadcast stations to serve as a non-binding mediator, with the costs of such third party mediator to be split equally between the parties.

6.9. Tax Matters. If either party (an "Electing Party") elects to treat the spectrum so acquired or disposed pursuant to this Agreement as property transferred in a like-kind exchange pursuant to Section 1031 of the Internal Revenue Code of 1986, as amended, the Electing Party shall notify the other party of such election in writing, after which the non-electing party shall undertake all actions reasonably requested by the Electing Party in connection with the Electing Party's like-kind exchange, including consenting to Electing Party's transfer of its rights in this Agreement to a "qualified intermediary," as defined in Treasury Regulation Section 1.1031(k)-1(g)(4); 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.

6.10. Miscellaneous. This Agreement may not be amended except in a writing executed by both parties. No waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such waiver or consent is sought. Neither party shall be authorized to act as an agent of or otherwise to represent the other party to this Agreement. Except as expressly set forth in this Agreement, each party shall be solely responsible for all costs and expenses incurred by it in connection with the negotiation, preparation and performance of and compliance with the terms of this Agreement. This Agreement (including the Schedules hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect to the subject matter hereof. Neither party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. This Agreement may be executed in separate counterparts.

14178703

[SIGNATURE PAGE FOLLOWS]

**SIGNATURE PAGE TO CHANNEL SHARING AND FACILITIES AGREEMENT**

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

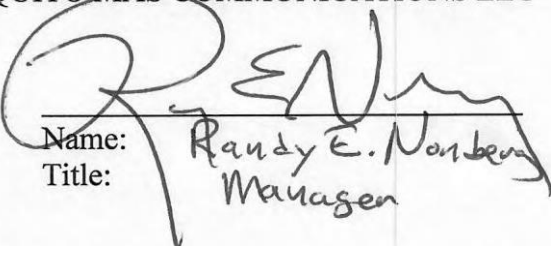
SHARER:

POQUITO MAS COMMUNICATIONS LLC

By:

Name:

Title:

  
Randy E. Norberg  
Manager

SHAREE:

MINORITY TELEVISION PROJECT, INC.

By:     Name:  
         Title:

**SIGNATURE PAGE TO CHANNEL SHARING AND FACILITIES AGREEMENT**

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

SHARER:

POQUITO MAS COMMUNICATIONS LLC

By: \_\_\_\_\_

Name:

Title:

SHAREE:

MINORITY TELEVISION PROJECT, INC.

By: \_\_\_\_\_

Name: c {c1: T\_ w ...:A t -S

Title: e tV C.ll >--\ w\ f)/t1 :A.) c\_,-'



**Schedule 1.4**  
**Sharing Fee**

**Schedule 2.1**  
**Capacity Allocation**

**Schedule 3.5**  
**Expenses**