

Second Amendment

Quincy Media, Inc. (“Quincy”) and Gray Television, Inc. (“Gray”) hereby amend their pending applications seeking Commission consent to the long-form transfer of control to Gray of certain license-holding subsidiaries of Quincy. Quincy and Gray submit the instant amendment to provide an update on efforts made to identify a buyer for certain Quincy stations that Gray is not seeking to operate after consummation of the transaction with Quincy.

As described in the initial applications filed by Quincy and Gray, the transaction was structured to address in advance any potential concerns about competition, localism, or diversity. Therein, Gray identified nine stations that it would seek to divest, and it disclosed that it had already begun a formal process to market the divestiture stations to qualified third parties that same day.

On April 29, 2021, Gray announced that it had entered into an agreement to sell ten television stations to Allen Media Broadcasting, LLC (“Allen Media”). In addition to the nine stations identified in the initial applications, Gray agreed to sell to Allen Media WREX(TV), Rockford, Illinois.¹ A complete list of the stations being sold to Allen Media (the “Divestiture Stations”) is below:

Market (DMA Rank and Name)	Divested Quincy Station(s)
64. Tucson	KVOA(TV)
81. Madison	WKOW(TV)
84. Paducah-Cape Girardeau-Harrisburg	WSIL-TV and KPOB(TV)
92. Cedar Rapids-Waterloo-Iowa City-Dubuque	KWWL(TV)
129. La Crosse-Eau Claire	WXOW(TV) and WQOW(TV)
136. Wausau-Rhineland	WAOW(TV) and WMOW(TV)
139. Rockford	WREX(TV)

Quincy and Gray anticipate that applications to request Commission consent to the assignment of licenses for the Divestiture Stations will be filed in the next several days.

Quincy and Gray have entered into a Carriage Agreement that will become effective at the close of the transactions whereby WREX(TV) will rebroadcast the signal of Gray’s WIFR-LD.² The Carriage Agreement will ensure that more over-the-air viewers in the Rockford DMA

¹ Simultaneously with the filing of the instant amendment, Quincy and Gray will seek dismissal of the pending application seeking an assignment of the WREX(TV) license from Quincy to Gray.

² In connection with the agreement between Gray and Allen Media, Quincy and Gray also entered into a Side Letter making certain supplements and amendments to the Stock Purchase Agreement. The Side Letter and the Carriage Agreement are submitted herewith. Schedule A and Exhibit A, respectively, have been omitted because they are not germane to the FCC’s public interest evaluation of the application and contain confidential information. *See LUJ, Inc. and Long Nine, Inc.*, Memorandum Opinion and Order, 17 FCC Rcd. 16980 (2002).

are able to receive low power station WIFR-LD's signal which has suffered from incoming interference in certain parts of the station's market since it switched to its new post-repack channel. Gray hereby confirms that it will not have any joint sales, joint retransmission, shared services, or local marketing arrangements with any of the Divestiture Stations.³ Additionally, Gray will not hold an option to repurchase any of the Divestiture Stations. In short, following consummation of the transactions, the divested stations will operate independently of Gray and under the full control of Allen Media.

³ Gray and Allen will enter into customary, short-term transition services agreements at closing.



April 29, 2021

Quincy Media, Inc.
130 South 5th Street
P.O. Box 909
Quincy, IL USA 62306
Attention: Ralph Oakley
Email: roakley@quincymedia.com

Cc: Brooks, Pierce, McLendon, Humphrey & Leonard, LLP

Ladies and Gentlemen:

Reference is hereby made to that certain Stock Purchase Agreement, dated as of January 31, 2021, by and among Gray Television, Inc. (“**Gray**”), Quincy Media, Inc. (“**Quincy**”), the Sellers named therein and Ralph M. Oakley, solely in his capacity as Stockholder Representative (“**Oakley**”) (the “**Purchase Agreement**”). Capitalized terms not defined herein shall have the meanings set forth in the Purchase Agreement.

In connection with the Purchase Agreement and the Regulatory Divestitures, Gray, Quincy and Oakley agree as follows:

1. **Asset Purchase Agreement.** On the date hereof, Gray is entering into an Asset Purchase Agreement with Allen Media Broadcasting Evansville III, LLC, a Delaware limited liability company, and Allen Media Holdings II, LLC, a Delaware limited liability company (the “**Divest APA**” and the counterparties to the Divest APA, collectively, the “**Divestiture Buyer**”). The execution version of the Divest APA is attached to this letter agreement. Pursuant to Section 14.5 of the Purchase Agreement, Gray, Quincy and Oakley, as Stockholder Representative, are entering into this side letter in connection with the Divest APA.
2. **Divestiture Stations.** Gray, Quincy and Oakley agree that the Regulatory Divestitures shall encompass the Station listed below (including such associated low power, translator stations, earth stations, and auxiliary stations as Buyer deems appropriate except as noted below), which shall constitute a Divestiture Station, in each case, for all purposes of the Purchase Agreement, subject to the terms set forth on Exhibit A attached hereto:

<u>DMA</u>	<u>Station(s)</u>
Rockford, Illinois	WREX(TV)

3. **Employee Benefit Arrangements.** Quincy and Oakley agree that the commitments and agreements made by Gray and the Divestiture Buyers in Section 6.2 of the Divest APA satisfies Gray's commitments and agreements under Section 6.5 of the Purchase Agreement with respect to the employees of the Divestiture Stations covered by the Divest APA.
4. **Operation of Business Prior to Closing.** Quincy agrees that it will comply with the terms of the covenants set forth in Section 5.4 of the Divest APA with respect to the Divestiture Stations covered by the Divest APA in a manner that permits Gray to comply with the covenants set forth in Section 5.4 of the Divest APA. Accordingly, Section 5.2 of the Purchase Agreement is supplemented and amended to incorporate Section 5.4 of the Divest APA with respect to the Divestiture Stations.
5. **Certain Real Estate Matters.** The parties hereto agree that the Divestiture Buyer shall have the right to (a) engage an environmental consulting firm to conduct a Phase I Environmental Site Assessment and Compliance Review, as such terms are commonly understood (the "**Divest Assessment**"), and (b) order a Phase II Environmental review or any other test, investigation or review recommended in the Phase I Environmental Assessment; provided, that such environmental assessment, test, investigation or review shall be conducted only (i) during regular business hours, (ii) with no less than two (2) Business Days prior written notice to the Company, (iii) in a manner which will not unduly interfere with the operation of the Divestiture Stations or the use of access to or egress from the Real Property used in the operations of the Divestiture Stations and (iv) with respect to Leased Real Property used in the operations of the Divestiture Stations, shall only be done if the owner of such property consents. The other provisions of Section 6.18 of the Purchase Agreement shall apply to any Divest Assessments *mutatis mutandis*. Gray hereby acknowledges and agrees that with respect to any Real Property used in the operations of any Station that is not a Divestiture Station Gray shall have no Environmental Remediation Cost.
6. **Certain Divestiture Buyer Financing Matters.** Quincy agrees that it will use reasonable best efforts to comply with the terms of the covenants set forth in Section 5.7(d) of the Divest APA. Gray shall indemnify and hold harmless each Quincy Group Member (as defined below) from and against any Losses incurred or sustained by, or imposed upon, such Quincy Group Member, in connection with the arrangement of any Financing (as defined in the Divest APA) and any information utilized in connection therewith, other than to the extent any of the foregoing arises from (i) the fraud, willful misconduct, gross negligence or material breach of its obligations by any Quincy Group Member or (ii) any incorrect information provided by any Quincy Group Member. Gray shall, promptly upon request by Quincy, reimburse Quincy, as applicable, for all of its and its Affiliates' documented reasonable out-of-pocket costs and expenses incurred by any Quincy Group Member in connection with this Section 6. Quincy hereby consents to use the Quincy Group's and its Affiliates' logos, in connection with any Financing; provided, that such logos are used solely in a manner that is not intended to or reasonably likely to harm or disparage Quincy or any Quincy Group Member, as applicable, or the reputation or goodwill of Quincy or any Quincy Group Member as applicable. For

purposes hereof, “**Quincy Group Member**” means Quincy, its Affiliates, and each of their successors and assigns, and their respective directors, officers, employees, agents, representatives and stockholders of the foregoing.

7. **Miscellaneous.** Quincy, Oakley and Gray agree that this letter agreement supplements the Purchase Agreement and amends the Purchase Agreement to the extent necessary to give effect to their agreements under this letter agreement and constitutes a Transaction Document. Except as so amended, the Purchase Agreement remains in full force and effect in accordance with its terms. Quincy and Gray hereby make their respective representations and warranties under Section 2.1, 3.2 and 4.2, respectively, with respect to this letter agreement. The provisions of Section 14 of the Purchase Agreement apply to this letter agreement as if restated herein.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have caused this letter agreement to be executed as of the date first set forth above.

GRAY TELEVISION, INC.

By: 

Name: Kevin P. Latek

Title: Secretary

QUINCY MEDIA, INC.

By: _____

Name: Ralph M. Oakley

Title: President

By: _____

Name: Ralph M. Oakley, solely in his capacity as
Stockholder Representative

IN WITNESS WHEREOF, the undersigned have caused this letter agreement to be executed as of the date first set forth above.

GRAY TELEVISION, INC.

By: _____

Name: Kevin P. Latek

Title: Secretary

QUINCY MEDIA, INC.

By: Ralph M. Oakley _____

Name: Ralph M. Oakley

Title: President

By: Ralph M. Oakley _____

Name: Ralph M. Oakley, solely in his capacity as
Stockholder Representative

CARRIAGE AGREEMENT

This carriage agreement (“**Agreement**”) is made and entered into as of April 28, 2021 (“**Effective Date**”), by and between Gray Media Group, Inc. (“**Gray**”), and WREX Television, LLC (“**Station Owner**”) (each, a “**Party**” and collectively, the “**Parties**”).

WHEREAS, Station Owner owns television station WREX(TV) (“**Station**”) in Rockford, IL;

WHEREAS, Gray owns television station WIFR-LD in Rockford, IL, and wishes to simulcast WIFR-LD’s high-definition primary program stream (“**Program Stream**”) on Station’s D2 multicast channel;

WHEREAS, pursuant to that certain Stock Purchase Agreement dated as of January 31, 2021, as it may be amended from time to time (“**SPA**”), Gray Television, Inc. (“**Gray Television**”) has agreed to acquire Quincy Media, Inc. (“**Quincy**”) and its direct and indirect subsidiaries, subject to the divestiture of assets associated with certain of Quincy’s stations including WREX(TV) to a third-party (the “**Buyer**”);

WHEREAS, Gray Television, Quincy, and the Buyer will consummate the transactions set forth in the SPA and the purchase agreements relating to the associated station divestitures to the third-party on the “**Closing Date**”;

WHEREAS, upon the Closing Date, Station will cease broadcasting CW Plus Network programming on its D2 multicast channel, and, pursuant to this Agreement, will commence simulcasting the Program Stream on its D2 multicast channel utilizing essentially the same amount of bandwidth currently utilized by the CW Plus Network programming, and such substitution will not cause Station to reduce the bandwidth currently utilized for the Station’s primary channel or any of its other multicast channels; and

WHEREAS, Station Owner agrees to permit such simulcast of the Program Stream, as set forth below.

NOW, THEREFORE, the Parties, incorporating the foregoing recitals, agree as follows:

1. **Obligations of the Parties.**

- (a) **Program Stream.** Commencing on the Closing Date and provided that Gray is delivering at its end-to-end cost, the Program Stream to Station in a manner that permits Station Owner to comply with its obligations under this Section 1(a), Station Owner shall transmit the 24/7 high-definition feed of the Program Stream to Station’s transmitter and shall cause Station to broadcast (over the air only) the Program Stream in pattern and without any changes on Station’s D2 multicast channel in the Rockford, IL DMA, as a simulcast of the Program Stream broadcast on WIFR-LD. Gray hereby grants Station Owner the rights necessary to fulfill Station Owner’s obligations hereunder and, pursuant to 47 C.F.R. § 73.1207, consents to the rebroadcast contemplated herein. Station Owner will

allocate sufficient bandwidth within Station's signal to rebroadcast the Program Stream in 1080i HD format; provided, however, that Gray shall have the right to access an average bit rate of up to 8.0 megabits per second to rebroadcast such Program Stream. The Parties acknowledge that the performance of this Agreement does not violate any of the Station's or WIFR-LD's affiliation agreements in existence as of the Effective Date as applicable to such Party. If the Station's existing encoder(s), including any redundant encoder(s), is (are) not the latest-generation encoder(s) currently capable of (1) employing statistical multiplexing, (2) processing the Program Stream to at least an equal level as any of the Station's program streams, and (3) setting the target average bit rate for the Program Stream of 8.0 mbps with a minimum bit rate of 3.5 mbps and a maximum of 13.5 mbps (the "**Target Settings**"), Gray shall replace Station's existing encoder(s) at its expense (including purchase, installation, and related costs) with the latest-generation encoder(s) that permit(s) the Station to achieve the Target Settings ("**New Encoder(s)**"). In either case, the Station shall operate with the Target Settings during the Term of this Agreement. The New Encoder(s) shall be owned by Station Owner, and the Station's existing encoder(s) shall be transferred to Gray (and each party hereby agrees to execute any reasonable documentation evidencing such ownership).

- (b) **Inventory/Advertising.** Neither Station Owner nor Station shall have any right to use, sell, control, or otherwise exploit any commercial or promotional inventory or any other advertising in, or relating to, the Program Stream, and all such commercial and promotional inventory and other advertising shall be solely for the benefit of Gray.
- (c) **Reservation of Rights/Non-exclusive.** Any rights with respect to the Program Stream and the Equipment not expressly granted herein to Station Owner or Station in this Agreement are reserved entirely for Gray. The rights granted to Station Owner by Gray in this Agreement are non-exclusive. Rights granted by Station Owner to Gray under this Agreement shall be non-subleasable and, except as provided in Section 5(h), non-assignable and non-transferrable.
- (d) **Equipment.** Between the Effective Date and Closing Date, Station Owner and Gray will cooperate to identify, install, and test all new equipment (including software updates) reasonably necessary to permit Station Owner to comply with its obligations in Section 1(a) (the "**Equipment**"), provided, however, that Gray shall be solely responsible for all reasonable costs to acquire, install, and test such Equipment. Except as described in Section 1(a) above with respect to the New Encoder(s), all Equipment provided by Gray will remain Gray's equipment, Station Owner will at all times maintain such equipment in good repair and condition, and Gray may remove such equipment upon the termination or expiration of this Agreement. Installation, repair, replacement, and maintenance costs related to the Equipment shall be borne by Gray, provided that Station Owner shall not incur any costs associated with Station Owner's obligation to maintain the equipment without Gray's prior consent, and provided further that Gray shall promptly reimburse Station Owner for all such costs. Gray shall

promptly provide the Buyer with a list of the Equipment and timely updates on the installation and testing of Equipment, provided that the manner of installation of the Equipment, and any access by Gray to the Station throughout the Term, shall be subject to Station Owner's reasonable consent and supervision.

- (e) **No Satellite/Cable Carriage.** Station Owner will not grant to any cable system, satellite system, MVPD, streaming service, or any other media platform the right to retransmit or otherwise carry the Program Stream.
- (f) **Music Performance Rights.** Station Owner represents that it has music performance licenses administered by ASCAP, SESAC and/or BMI for the Station, and will so throughout the term of this Agreement.
- (g) **Compliance.** Each Party shall comply with all applicable laws in connection with its respective performance under this Agreement.

2. **Term, Termination, and Carriage Fee.**

- (a) **Term.** The term of this Agreement ("**Term**") shall commence on Closing Date and shall expire on the tenth anniversary of the Closing Date, unless earlier terminated as set forth herein. The Agreement may be renewed or extended only by written instrument signed by both parties.
- (b) **Termination by Gray.** Gray will have the right to terminate this Agreement by providing sixty (60) days advance written notice to Station Owner.
- (c) **Fee.** Gray will pay Station Owner the Carriage Fee as provided for in Exhibit A.

3. **Limited Preemption/Interruptions.** Except as set forth below in this Section 3, Station Owner will not permit any preemptions or other interruptions of the broadcast of the Program Stream on Station's D2 multicast channel:(a) **FCC.** Nothing in this Agreement shall limit Station Owner's rights in good faith to reject or refuse any programming that Station Owner reasonably believes violates FCC rules. Station Owner shall provide written notice to Gray (email to WIFR-LD's GM is sufficient) of any such rejection or refusal as soon as possible.

- (b) **Emergency Alert System.** Station Owner may interrupt the Program Stream for Emergency Alert System ("**EAS**") messages, when and as required.

4. **Indemnification.**

- (a) **Indemnification.** Except for music performance rights as set forth in Section 1 above, Gray agrees to indemnify, defend and hold harmless Station Owner, including the Station, from and against any and all third party and/or governmental claims and/or actions arising out of the content of the Program Stream or the simulcast of the Program Stream by Station in accordance with this Agreement. This Section 4 shall survive the termination or expiration of this Agreement.

5. **Miscellaneous.**

- (a) **Expenses.** Except as otherwise provided for in this Agreement, each of Station Owner and Gray shall be responsible for the costs and expenses relating to its respective performance under this Agreement and the operation of its respective stations.
- (b) **Notices.** All notices to any Party hereunder shall be in writing and shall be given by reputable overnight courier, on the next business day, or certified or registered mail, postage prepaid, return receipt requested, at the addresses set forth below or such other addresses as either Party may hereafter specify to the other Party.

If to Gray:

Attn: General Counsel
Gray Media Group, Inc.
4370 Peachtree Rd., NE, Suite 400
Atlanta, GA 30319

If to Station Owner:

Attn: General Manager
WREX License, LLC
10322 Auburn Road
Rockford, IL 61103

- (c) **Entire Agreement/Amendments.** This Agreement, including the exhibits, constitutes the complete and exclusive statement of the agreement by and between the Parties with respect to the subject matter contained herein. This Agreement shall not be altered, changed, supplemented or amended, except by written instruments signed by both Parties.
- (d) **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 may seek an injunction restraining such failure or threatened failure and, subject to obtaining any necessary FCC consent, enforcing this Agreement by a decree of specific performance requiring compliance with this Agreement.
- (e) **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.
- (f) **Confidentiality.** Subject to the requirements of applicable law, all non-public information regarding the Parties and their respective businesses and properties that is disclosed in connection with the performance of this Agreement shall be confidential and shall not be disclosed to any other person

or entity, except on a confidential basis to the parties' representatives. This Section 5(f) shall survive any termination or expiration of this Agreement.

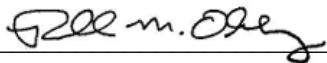
- (g) **Governing Law.** The laws of the State of Illinois, without reference to conflict of laws principles, shall govern the validity, construction and interpretation of this Agreement.
- (h) **Successors and Assigns; Assignment.** This Agreement is not assignable by either Party without the other Party's prior written consent. Notwithstanding the foregoing, Station Owner (including any successors, assignees or transferees of Station Owner) shall assign this Agreement in its entirety to any person or entity acquiring all (or substantially all) of the assets of WREX(TV) or equity of Station Owner, and Gray shall not be required to obtain consent from Station Owner for an assignment of this Agreement to any person or entity acquiring all (or substantially all) of the assets of WIFR-LD or equity of Gray (in each case the assigning Party will require the purchaser to assume all of the obligations hereunder after such assignment). The Parties agree that this Agreement shall be binding on all successors, assignees, and transferees.
- (i) **Relationship of Parties.** Neither Party will be deemed to be the agent, partner, or representative or joint venturer of the other Party, and neither Party is authorized to bind the other to any contract, agreement, or understanding.
- (j) **Severability.** 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(s) deleted and the validity, legality and enforceability of the remaining provisions contained herein shall not be affected or impaired thereby.
- (k) **Waiver.** No consent or waiver, express or implied, by a Party to or of any breach or default by the other Party in the performance by such other Party of its obligations hereunder shall be deemed or construed to be a consent to or waiver of any other breach or default in the performance by such other Party of the same or any other obligation of such other Party hereunder.
- (l) **Force Majeure.** Neither Party shall be liable to the other Party for loss, injury, delay or damages or other casualty suffered or incurred by the other Party due to governmental regulations or directions, outbreak of a state of emergency, act of God, warlike hostilities, civil commotion, riots, terrorism, storms, fires, strikes, lockouts, and any other similar cause or causes beyond the reasonable control of the Party whose performance is affected by such cause or causes.
- (m) **Counterparts.** This Agreement may be executed in several counterparts with the same effect as if the Parties executing the several counterparts had all executed one counterpart. Any counterpart may be executed by facsimile signature or PDF

or other electronic transmission and such facsimile or electronic signature shall be deemed an original.

Accepted & Agreed:

WREX Television, LLC

Gray Media Group, Inc.

By: 

By: _____

Name: Ralph M. Oakley

Name:

Title: President/CEO

Title:

or other electronic transmission and such facsimile or electronic signature shall be deemed an original.

Accepted & Agreed:

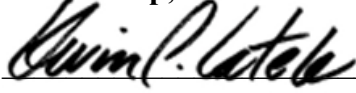
WREX Television, LLC

By: _____

Name:

Title:

Gray Media Group, Inc.

By:  _____

Name: Kevin P. Latek

Title: Executive Vice President