

Channel Sharing and Facilities Agreement Exhibit

A copy of the executed Channel Sharing and Facilities Agreement (“CSA”) by and between WRAZ-TV, Inc. and ZGS Raleigh, Inc. is attached. The schedules to the CSA have not been included, as they contain confidential, proprietary information and are not germane to the FCC’s consideration of this application. *See Application Procedures for Broadcast Incentive Auction Schedules to Begin on Mar. 29, 2016 Tech. Formulas for Competitive Bidding*, Public Notice, 30 FCC Rcd 11034 (2015) (explaining that the FCC “will allow applicants to redact confidential or proprietary terms” in CSAs submitted to the FCC).

The excluded schedules are identified below and copies will be made available to the FCC upon request:

Schedule 1.2	Shared Transmission Facilities Modification Costs
Schedule 1.4	Sharing Payment
Schedule 2.1	Spectrum Allocation
Schedule 3.1(b)	Description of Shared Transmission Facilities

CHANNEL SHARING AND FACILITIES AGREEMENT

THIS CHANNEL SHARING AND FACILITIES AGREEMENT (this “**Agreement**”) is dated as of April 27, 2018 by and among WRAZ-TV, Inc., a North Carolina corporation (“**Sharer**”), and ZGS Raleigh, Inc., a Delaware corporation (“**Sharee**”).

Recitals

WHEREAS, Sharer operates television station WRAZ, Raleigh, North Carolina (FCC Facility ID No. 64611) (“**Sharer’s Station**”) pursuant to authorizations issued by the Federal Communications Commission (“**FCC**”);

WHEREAS, Sharer’s Station currently broadcasts on UHF television channel 49, and Sharer’s Station will be required to relocate to UHF television channel 15 under the FCC’s repacking procedures (the “**Repacking**”);

WHEREAS, Sharee currently owns and operates digital Class A television station WZGS-CD, Raleigh, North Carolina (FCC Facility ID No. 41095) (“**Sharee’s Station**”) pursuant to authorizations issued by the FCC to Sharee;

WHEREAS, Sharer’s Station and Sharee’s Station both serve the Designated Market Area of Raleigh, NC (the “**DMA**”);

WHEREAS, Sharee participated in the Incentive Auction (as hereinafter defined) and, as a result of its winning reverse auction bid, Sharee will relinquish its rights to usage of the Sharee’s Station’s current spectrum;

WHEREAS, Sharer and Sharee each desires to enter into a channel sharing agreement under which Sharee’s Station will, after relinquishing its current spectrum usage rights, share the Sharer’s Station’s channel (the “**Shared Channel**”), which currently is licensed exclusively to Sharer, pursuant to shared station licenses to be issued by the FCC to Sharee and Sharer, respectively;

WHEREAS, Sharee and certain of its affiliates entered into an Asset Purchase Agreement dated as of December 1, 2017, with Telemundo of North Carolina LLC (“**Raleigh OpCo**”), NBC Telemundo License, LLC (“**NBC LicenseCo**” and together with Raleigh OpCo, the “**NBC Entities**”) and certain of their affiliates (the “**Purchase Agreement**”) pursuant to which, among other transactions, Sharee’s Station will be sold to the NBC Entities subject to FCC consent;

WHEREAS, contemporaneously with the execution of this Agreement, Raleigh OpCo and Sharee are entering into a Technical Services Agreement (the “**TSA**”) pursuant to which Raleigh OpCo and its affiliates will perform technical services for Sharee in connection with the construction of facilities necessary to implement this Agreement; and

WHEREAS, Sharer owns or operates certain assets, including the transmitter located at 5033 TV Tower Road, Garner NC 27529 (as relocated from time to time, the “**Transmitter Site**”), which Transmitter Site is leased pursuant to that certain Amended and Restated Tower

Lease Agreement, dated April 1, 2018, by and between Sharer and CBC Real Estate Company, Inc. (as amended, renewed, modified, or replaced with a substitute Transmitter Site lease agreement from time to time, the “**Transmission Facilities Agreement**”), 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, whether before or after the Repacking (the “**Shared Equipment**,” and together with the Transmitter Site, the “**Shared Transmission Facilities**”).

WHEREAS, 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)) (the “**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, the Expanded Sharing Order, the Auction Closing Public Notice, 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. This Agreement contains all of the provisions required under Section 73.3700(h)(5) of the FCC Rules.

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: SHARED CHANNEL AND FACILITIES

1.1. **Term**. The term of this Agreement (the “**Term**”) will begin on the date of this Agreement set forth above and shall continue until two (2) years from the Commencement Date (as defined below), unless earlier terminated in accordance with the terms of this Agreement; provided, however, that Sharee shall have an option to extend the Term for one (1) additional year in accordance with the terms of this Agreement.

1.2. **Shared Channel and Facilities.** The parties shall cooperate to transition Sharee's Station to the Shared Channel and the Shared Transmission Facilities on a mutually agreeable schedule determined by the parties, in good faith, within the time required under the Channel Sharing Rules; *provided* that the parties shall commence shared operations on the earliest date following FCC public notice of the grant of the channel sharing construction permit that is consistent with the notices required to be provided by Sharee regarding commencement of operations on the Shared Channel; *provided further* that shared channel operations shall not commence prior to the date of the Channel Share Closing (as defined in the Purchase Agreement) for Sharee's Station pursuant to the Purchase Agreement. Accordingly, the "**Commencement Date**" shall be the date upon which all of the following events shall have taken place: (i) Sharee shall have ceased broadcasting on Sharee's Station on its pre-Incentive Auction channel; (ii) operations by Sharer and Sharee on the Shared Channel shall have commenced; (iii) Sharee shall have filed an FCC application to cover the construction permit for Sharee's use of the Shared Channel, and Sharer shall have filed a parallel FCC application for a shared-status license for Sharer's use of the Shared Channel; and (iv) the sale of Sharee's Station to the NBC Entities pursuant to the Purchase Agreement shall have been consummated. Sharee shall be solely responsible for the costs reasonably necessary to modify the Shared Transmission Facilities for shared use under this Agreement, as set forth in Schedule 1.2 hereto, and together with all costs associated with the move of Sharee's Station to the Shared Transmission Facilities. Sharee's use of the Shared Channel and the Shared Transmission Facilities shall start on the Commencement Date and continue until the end of the Term (the "**Shared Use Term**"). The parties shall share the Shared Channel and the Shared Transmission Facilities during the Shared Use Term as provided by Article 2, Article 3 and the other terms of this Agreement. If, and to the extent that, any consents of the landlord/licensor to the Transmitter Facilities Agreement are required to commence channel sharing on the Shared Channel, then prior to the Commencement Date, such required consents, if any, shall have been obtained by Sharer.

1.3. **FCC Filings.**

(a) **Construction Permit Application.** Within five (5) business days of the date of this Agreement, Sharee shall file an application on FCC Form 2100, Schedule E to modify the facilities of Sharee's Station (the "**Minor Mod Application**") in order to implement this Agreement (and, if required, shall include with such application a copy of this Agreement with appropriate redactions of confidential information). Sharee will coordinate and work with Raleigh OpCo, under the supervision and control of Sharee, to construct facilities pursuant to the construction permit (the "**CP**") issued by the FCC upon grant of the Minor Mod Application in accordance with the TSA. Sharee shall transmit any required notices to viewers, medical facilities, and MVPDs. Sharer shall furnish Sharee with such information and assistance as Sharee may reasonably request in connection with Sharee's preparation of the Minor Mod Application.

(b) **License Applications.** Promptly upon the commencement of Shared Channel operations, Sharer and Sharee each shall file an application on FCC Form 2100, Schedule F to modify its FCC license to reflect operations on the Shared Channel.

(c) **Costs.** Sharee shall be solely responsible for all out-of-pocket expenses relating to the applications filed in accordance with subsections 1.3(a) and (b).

1.4. **Compensation.** In consideration for the right to use the Shared Channel as set forth in this Agreement, Sharee shall pay Sharer the amounts set forth on Schedule 1.4 (the “Sharing Payment”).

1.5. **Relocation and Repacking Costs.** The parties acknowledge that the FCC has assigned a new channel to which Sharer’s Station must transition in the Repacking. In connection with this transition, the parties shall mutually determine whether any modifications are needed to the Shared Transmission Facilities (and if so, what those modifications should be), and shall modify the existing Shared Transmission Facilities or procure new Shared Transmission Facilities as reasonably necessary to implement the Repacking. Sharer shall commence and diligently conduct the channel relocation consistent with the applicable transition phase and in compliance with the other repacking rules, including but not limited to the timely submission to the FCC of all required filings associated with the channel relocation and FCC reimbursement, including but not limited to cost estimates, periodic progress reports and any necessary request for special temporary authority, and shall conduct testing in compliance with the repacking rules. Each party is responsible for providing viewer, medical facility and MVPD notifications for its respective station and the parties agree to reasonably coordinate such efforts. Sharer shall timely seek reimbursement from the TV Broadcaster Relocation Fund (or other appropriate Governmental Authority) for the costs it reasonably incurs as a result of the FCC’s repacking process. Sharer and Sharee shall work together in good faith to maximize the reimbursement received from the TV Broadcaster Relocation Fund and ensure that costs expended to transition to the new channel are reimbursed. To the extent Sharer incurs expenses that are: (i) reasonably incurred in relocating to a new Shared Channel in accordance with good engineering practices and that are required and associated solely with the Sharee’s use of the Shared Channel under this Agreement; and (ii) not reimbursed by the TV Broadcaster Relocation Fund (or other appropriate Governmental Authority), then Sharee shall reimburse Sharer for such expenses.

ARTICLE 2: CAPACITY AND FCC LICENSES.

The parties hereby agree that during the Shared Use Term:

2.1. **Allocation of Channel Capacity.** Pursuant to the Channel Sharing Rules, during the Shared Use Term the parties shall share the Shared Channel as set forth on Schedule 2.1, which may be modified from time to time by mutual written agreement of the parties (the “Baseline Spectrum Allocation”). Each party shall retain sufficient spectrum usage rights to allow it to provide at least one Standard Definition (SD) over-the-air program stream at no direct charge to viewers at all times. The parties shall implement a mutually beneficial weighting system and use the software optimization technology of statistical multiplexing (“Stat Mux”) or a successor technology mutually agreed upon by the parties. Each party shall designate one program stream with the highest priority within its allocated capacity, with each such program stream afforded an equivalent level of high priority. All other program streams shall have a lesser priority, and the parties shall, consistent with good engineering practices, cooperate to devise a system that produces the best results for each party with minimum picture degradation, subject to the constraints imposed by the agreed allocation of capacity among the parties hereto.

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

2.3. **Changes to Allocation.** In the event of a New Modulation Deployment or ATSC 3.0 Upgrade pursuant to the terms and subject to the conditions of Section 3.6, the Baseline Spectrum Allocation shall remain unchanged, with the intended result that any additional capacity on the Shared Channel created by such New Modulation Deployment or ATSC 3.0 Upgrade would be allocated to Sharer. For the avoidance of doubt, nothing in this Section 2.3 shall effect, or otherwise be deemed to, modify, enlarge, or increase the absolute number of Mb/s allocated to Sharee in accordance with the Baseline Spectrum Allocation as of the date hereof.

2.4. **Transmission.** During the Shared Use Term, Sharer shall transmit content provided by Sharee using the Shared Transmission Facilities. Except as provided herein, Sharer shall not alter the supplied content; provided, however, that it may: (i) encode, compress or modulate the content as required to multiplex together the parties' content streams using the parameters agreed to in this Agreement, and (ii) combine the EIT and other information into a common PSIP format for transmission as agreed to in this Agreement.

2.5. **Capacity Use.** Each party shall have the right to use its allocated capacity on the Shared Channel in any way it sees fit in accordance with this Agreement (subject to compliance with the Channel Sharing Rules, and with all Communications Laws (as defined below) and other applicable laws). Sharer shall have the right, exercisable in its sole discretion in accordance with the Communications Laws, 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, which right shall include the right to enter into a multicast affiliation agreement, local marketing agreement, time brokerage agreement, or similar third-party arrangement with respect to Sharer's portion of the Shared Channel (a "**Sub-Sharing Arrangement**"). Sharee shall not enter into any Sub-Sharing Arrangements within its allocated capacity without the prior consent of Sharer.

2.6. **FCC Licenses.**

(a) **Authorizations.** Each party shall maintain all main station FCC licenses, approvals and authorizations necessary for its operations in full force and effect during the Shared Use Term. Neither party shall make any filing with the FCC to modify the Shared Channel without the prior written consent of the other party. During the Shared Use 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 either party's station that may require coordination to minimize any disruptions to the operations of either party's station.

(b) **Compliance with Law.** Each party shall comply with this Agreement, the Channel Sharing Rules, the Communications Act of 1934, as amended, and the rules and regulations of the FCC (the "**Communications Laws**"), and all other applicable laws with respect to its ownership and operation of its own station and its use of the Shared Channel. Each

party shall be solely responsible for all content it transmits on the Shared Channel. In addition, during the Shared Use Term, the parties shall materially comply with all laws and leases, licenses or similar agreements applicable to the Shared Transmission Facilities and the Transmitter Site.

(c) **Control.** Consistent with FCC rules, each party shall control, supervise and direct the day-to-day operation of its own television station (including its employees, programming and finances), and nothing in this Agreement affects any such respective responsibilities. Neither party shall hold itself out as the licensee of the other party's television station using the Shared Channel, and nothing in this Agreement shall give either party a present ownership interest in the other party's station. Neither party shall use the call letters of the other's television station in any medium, except in correspondence with the FCC related to the performance of this Agreement.

(d) **FCC Fees.** Each party 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, including without limitation regulatory fees and application fees. Each of Sharer and Sharee 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 allocation of spectrum pursuant to Section 2.1.

(e) **Cooperation.** During the Shared Use Term, each party shall cooperate with one another in good faith as to any reasonable requests made by the other with respect to operation of the Shared Channel or the Shared Transmission Facilities that do not deprive it of benefits under this Agreement or require it to incur obligations or liabilities not contemplated by this Agreement. During the Shared Use Term, neither party 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 Shared Transmission Facilities as contemplated by this Agreement.

(f) **Channel Sharing Rules.** The parties acknowledge that after the date of this Agreement, the FCC may adopt additional or modified rules and regulations with respect to the Channel Sharing Rules. From time to time, promptly following the adoption of any such additional rules, the parties shall reasonably cooperate and may (but are not required to, except as necessary to comply with applicable law) amend, modify or restate this Agreement to take into account such changes in FCC rules and regulations.

ARTICLE 3: SHARED CHANNEL OPERATIONS

The parties hereby agree that during the Shared Use Term:

3.1. **Shared Transmission Facilities.** The parties shall share the Shared Transmission Facilities on the terms herein and consistent with the Channel Sharing Rules for the operation of their respective stations.

(a) **Operations.** Subject to compliance with the Transmission Facilities Agreement, Sharer shall provide Sharee with reasonable access to the Shared Transmission Facilities during normal business hours upon reasonable notice to Sharer, and upon twenty-four

(24) hours' notice outside of normal business hours. No party shall act contrary to the terms of the Transmission Facilities Agreement. Sharee shall not permit to exist any lien, claim or encumbrance on the Shared Transmission Facilities or make material alterations to the Shared Transmission Facilities. Each of Sharer and Sharee shall: (i) not interfere with the business and operation of the other's television station or the other's use of such facilities; (ii) use the Shared Transmission Facilities only for the operation of its television station in the ordinary course of business and for no other purpose, including any purpose permitted under the terms of its station's FCC authorizations and the Communications Laws; and (iii) maintain, at its own expense, sufficient insurance with respect to its use of the Shared Transmission Facilities during the Shared Use Term and shall name the other party as an additional insured under such policies.

(b) **Shared Transmission Facilities.**

(i) A description of the Transmitter Site and a list of material items of equipment included in the Shared Transmission Facilities as of the date of this Agreement is attached hereto as Schedule 3.1(b). The shared use under this Agreement does not constitute a conveyance of title. Title to all items comprising the Shared Transmission Facilities shall remain with Sharer. Sharee may use the Shared Transmission Facilities only in the operation of Sharee's Station and for no other purpose. Sharer shall determine, in its reasonable good faith discretion, any ordinary course maintenance and repairs, non-ordinary course capital expenditures, upgrades, or replacements necessary or desirable with respect to the Shared Transmission Facilities. If at any time the Shared Channel is off the air or operating at a reduced power level, Sharer shall return the Shared Channel to the air and restore power as promptly as practicable. Sharee shall not move, repair, upgrade, modify, damage or interfere with the Shared Transmission Facilities.

(ii) Each of Sharer and Sharee shall comply with the Transmission Facilities Agreement and shall not undertake any act or omission that would be reasonably likely to constitute a breach or default by Sharer thereunder, pursuant to the terms and subject to the conditions of the Transmission Facilities Agreement, as reflected in the copy thereof provided to Sharee.

(c) **Exclusive Equipment.** Subject to any restrictions imposed by the owner of the Transmitter Site, Sharee may install at the Transmitter Site, consistent with good engineering practices, equipment that is owned solely by it and that is reasonably acceptable to Sharer. Subject to the foregoing, Sharee shall provide a list of any such equipment to Sharer within thirty (30) days after the date of this Agreement. Each party shall maintain, repair and replace any equipment owned or leased solely by it located at the Transmitter Site in accordance with good engineering practices customary in the television industry. Title to all such equipment shall remain solely with the owner thereof. Each party shall comply with the terms of the Transmission Facilities Agreement with respect to such exclusively owned or leased equipment. Sharee shall not be entitled to use of any of Sharer's equipment that is not part of the Shared Transmission Facilities.

(d) **Contractors.** All contractors and subcontractors of each party who perform any service for it at the Transmitter Site or any other shared facilities shall hold licenses or governmental authorizations appropriate to and necessary for the work being performed and

be approved by Sharer, such approval not to be unreasonably withheld. Any such contractor shall carry insurance issued by companies licensed in the state where the Transmitter Site or such other shared facility is located.

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

3.2. **Interference**. Each party shall use commercially reasonable efforts to avoid interference with their respective operations from the Transmitter Site and to promptly resolve any interference that arises in connection with such operation. Neither party shall make changes or installations at the Transmitter Site or any other shared facilities, or enter into any third-party agreements, that could reasonably be expected to 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 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.

3.3. **Interruptions**. In the event that the Shared Transmission Facilities suffer an unexpected failure such that a party must reduce, limit or temporarily cease use of the Shared Transmission Facilities, the Shared Channel or its own equipment located at the Transmitter Site or any other shared facilities so that the other party may install, maintain, repair, remove or otherwise work upon its broadcast equipment or the Shared Transmission Facilities, the non-requesting party shall cooperate in a commercially reasonable manner. If necessary, the non-requesting party shall temporarily reduce, limit or cease use of the Shared Transmission Facilities, the Shared Channel or its own equipment located at the Transmitter Site or any other shared facility, provided that the requesting party takes all reasonable steps to minimize the amount of time the non-requesting party shall operate with reduced facilities and that the requesting party takes all reasonable steps to schedule such installation, maintenance, repairs, removal or work at a commercially reasonable time convenient to the non-requesting party.

3.4. **Force Majeure**. Neither party shall be liable to the other for any default or delay in the performance of its 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) During the Shared Use Term, the reasonable and necessary out-of-pocket expenses of operating the Shared Transmission Facilities and any applicable Transmission Facilities Agreement shall be borne solely by Sharer, including without limitation (i) rent and

pass-through expenses under any applicable Transmission Facilities Agreement and (ii) utility, engineering, maintenance, property insurance and property tax expenses (if any) applicable to the Shared Transmission Facilities.

(b) Each party shall be solely responsible for all other expenses of operating its station, including without limitation the cost of delivering its programming from its studio to the Sharer's studio facility and the cost of its general liability insurance.

3.6. **Technical Changes; ATSC 3.0.**

(a) In the event that the FCC requires new standards of modulation or other technical or other modifications to the operations of the Shared Transmission Facilities or the Shared Channel ("**New Modulation Deployment**"), the parties will timely make any such modifications in compliance with such requirements established by the FCC. Sharer shall bear the costs to implement such modulation or technical changes. Nothing in this Agreement is intended to prohibit Sharer from implementing new transmission systems or new technical standard for the Shared Channel.

(b) 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 comply with applicable FCC rules and regulations and meet generally accepted industry standards. Sharer shall be responsible for all cost associated with the ATSC 3.0 Upgrade. For the avoidance of doubt, nothing in this Section 3.6 shall affect, or otherwise be deemed to modify, enlarge, or increase the absolute number of Mb/s allocated to Sharee in accordance with the Baseline Spectrum Allocation.

3.7. **Maintenance of Shared Transmission Facilities.** Sharer shall maintain the Shared Transmission Facilities consistent with good engineering practices and shall determine, in its reasonable good faith and discretion, any ordinary maintenance and repairs, non-ordinary course capital expenditures, upgrades or replacements necessary or desirable with respect to the Shared Transmission Facilities.

3.8. **Surrender Upon Termination.** Upon termination of this Agreement, Sharee shall promptly, at its own expense and in no event more than ten (10) business days, vacate the facilities comprising the Shared Transmission Facilities, remove all of its assets and employees (if any) from such site, surrender the Shared Transmission Facilities in substantially the same condition existing as of the date hereof (reasonable wear and tear excepted) and return to Sharer all keys and other means of entry to the Transmitter Site and the Shared Transmission Facilities held by Sharee.

ARTICLE 4: REPRESENTATIONS AND WARRANTIES

4.1. **FCC Licenses.** Each party represents and warrants to the other that it has obtained (or will obtain prior to the Commencement Date) all FCC and any other governmental licenses, approvals and authorizations necessary for its operations on its respective station.

4.2. **Authority.** Each party 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 subject to the necessary FCC approvals; (ii) it is a corporation, limited liability company, or general partnership (as applicable), duly organized, validly existing under the laws of its place of organization, (iii) in good standing in the jurisdiction of its organization and, if necessary, is qualified to do business in the jurisdiction in which the Transmitter Site is located; (iv) it has duly authorized the execution, delivery and performance of this Agreement, and this Agreement is binding upon it; and (v) 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.

ARTICLE 5: INDEMNIFICATION

5.1. **General Indemnification.** Subject to Section 5.3, each party 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 Shared Transmission Facilities and the Shared Channel during the Shared Use Term. Neither party shall have any obligation or liability with respect to the other's station, except as may be otherwise expressly set forth in this Agreement.

5.2. **Programming Indemnification.** Without limiting the terms of Section 5.1, subject to Section 5.3, each party 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.

5.3. **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. Notwithstanding anything contained herein to the contrary, the limitations of liability contained in this Section 5.3 shall not apply to: (i) personal injury, including death, and damage to tangible property caused by the intentional wrongdoing or gross negligence of a party or its employees, agents, or subcontractors, or (ii) amounts paid or payable to third parties.

ARTICLE 6: TERMINATION AND REMEDIES

6.1. **Breach.** Upon the occurrence of an Event of Default (defined below), the non-defaulting party may (but is not obligated to) terminate this Agreement by written notice to the

defaulting party. All rights and remedies provided in this Agreement and claims for damages shall be cumulative.

6.2. **Events of Default.** The occurrence of any of the following shall constitute an “**Event of Default**” by a party under this Agreement:

(a) a party fails to comply with or perform its obligations under this Agreement that (i) is material in the context of the transactions contemplated hereby or (ii), without limiting the generality of the preceding clause, constitutes a failure by a party to pay the other party any undisputed payment owed under this Agreement, which in either event is not cured within ten (10) business days after written notice thereof; or

(b) a party makes a misrepresentation under this Agreement and such misrepresentation is material in the context of the transactions contemplated hereby and is not cured within ten (10) business days after written notice thereof.

6.3. **Loss of License.**

(a) If Sharee’s FCC license to use the Shared Channel is voluntarily or involuntarily revoked, rescinded, relinquished, canceled, withdrawn, surrendered, not renewed, or otherwise terminated for any reason, then simultaneously therewith all spectrum usage rights for the full amount of the spectrum of the Shared Channel shall revert to Sharer and this Agreement shall terminate.

(b) If Sharer’s FCC license to use the Shared Channel is voluntarily or involuntarily revoked, rescinded, relinquished, canceled, withdrawn, surrendered, not renewed, or otherwise terminated for any reason by a final order not subject to any reconsideration, review, or appeal right at the FCC or any court, then simultaneously therewith this Agreement shall terminate.

(c) The parties shall make and prosecute such FCC filings and take such further actions as applicable and as may be reasonably necessary for the remaining licensed parties to give effect to the terms and conditions of Section 6.3(a) and (b), above.

(d) Sharee shall have no liability to Sharer in the event there is a termination on account of the loss of Sharee’s FCC license, other than reimbursement of any FCC filing fees paid for by Sharer which shall be refunded promptly (and in all events within ten (10) business days) in the event of termination pursuant to this Section 6.3 owing to loss of Sharee’s FCC license.

6.4. **Insolvency.** Either party may terminate this Agreement by written notice to the other upon (i) the institution by or against the other party of insolvency, receivership or bankruptcy proceedings 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.

6.5. **Additional Termination Right for Sharee.** Sharee, in its sole discretion, may terminate this Agreement in the event that the FCC imposes any condition in the CP or in either

Sharer's or Sharee's license for the Shared Channel that would require Sharee, the NBC Entities or any of their affiliates to (i) agree to any conditions or limitations on any asset, business or property of Sharee, the NBC Entities, or any of their affiliates, or (ii) take any action that may adversely affect Sharee, the NBC Entities or their affiliates or the Shared Channel.

6.6. **Automatic Termination.** This Agreement shall automatically terminate without further action by the parties (a) upon the termination of the Purchase Agreement without consummation with respect to Sharee's Station or (b) if the Shared Use Term does not commence by July 22, 2018, or such earlier deadline imposed by the FCC for Sharee's Station to discontinue operations on its existing channel.

6.7. **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, the terms of Articles 5, 6 and 7 shall survive any termination of this Agreement.

6.8. **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 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. A party seeking such injunctive relief shall not be required to prove actual damages and shall not be required to post any bond as a condition for obtaining injunctive relief.

6.9. **Wind-Down Period.** In the event this Agreement is terminated by Sharee pursuant to the terms and subject to the conditions of Section 6.1, Sharee shall be permitted to continue to share spectrum on the Shared Channel on the terms provided in Sections 1.3, 1.4, Article 2, Article 3 and Article 5 for a period sufficient for Sharee to find a new channel sharing host, such period not to exceed ninety (90) days following the termination of this Agreement.

6.10. **Payment Deficiency.** In the event of a default by Sharee of any of its payment obligations under this Agreement, the amount due to Sharer with respect to such default shall be deemed to accrue interest from the date such payment was originally due, calculated at a rate of one percent (1%) per month, with interest accruing on a daily basis.

ARTICLE 7: MISCELLANEOUS

7.1. **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 performance of this Agreement shall be confidential and shall not be disclosed to any other person or entity, except the parties' affiliates and their respective officers, employees, directors, attorney, accountants and other legal and financial advisors who need to know such information. This Section shall survive any termination or expiration of this Agreement.

7.2. **Assignment.** No party may assign, transfer or sublease this Agreement, except that (a) Sharer shall assign its rights under this Agreement to any FCC-approved assignee or transferee of Sharer's Station approved pursuant to an FCC "long-form" application and such

assignee or transferee shall assume this Agreement in a writing delivered to Sharee; (b) Sharee shall assign its rights under this Agreement to any FCC-approved assignee or transferee of Sharee's Station (including NBC LicenseCo) approved pursuant to an FCC "long-form application" and such assignee or transferee shall assume this Agreement in a writing delivered to the other party to this Agreement; and (c) either party may assign all of its rights and obligations under this Agreement to any of its affiliates eligible to be the assignee of the FCC licenses of such party's station pursuant to an FCC "short-form" application without the consent of the other party. If rights and obligations under this Agreement are transferred or assigned, the assignee or transferee shall comply with the terms of this Agreement. If the transferee or assignee and the licensee of the remaining channel sharing station agrees to amend the terms of this Agreement, the Agreement may be amended, subject to FCC approval. The terms of this Agreement shall bind and inure to the benefit of the parties' respective successors and any permitted assigns. 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.

7.3. **Severability.** The transactions contemplated by this Agreement are intended to comply with the Channel Sharing Rules and other Communications Laws. 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.

7.4. **Notices.** All notices, requests or other communications required or which may be given hereunder shall be in writing and either delivered personally to the addressee, sent via email or facsimile transmission to the addressee, mailed to the addressee by certified or registered mail or express mail, postage prepaid, or sent to the addressee by a nationally recognized overnight delivery service, service charges prepaid, in each case as follows:

if to Sharer:

WRAZ-TV, Inc.
2619 Western Blvd.
Raleigh, NC 27606
Attention: Steve Hammel
Email: shammel@wral.com

with a copy to:

WRAZ-TV, Inc.
2619 Western Blvd.
Raleigh, NC 27606
Attention: General Counsel
Email: jvenable@capitolbroadcasting.com

if to Sharee:

ZGS Communications, Inc.
2000 N. 17th Street
Suite 400
Arlington, VA 22201
Attention: Ronald Gordon
Telephone: (703) 622-6161
Email: rgordon@zgsgroup.com

with a copy to:

ZGS Communications, Inc.
9025 SW 68th Ave.
Pinecrest, FL 33156
Attention: Peter Housman
Telephone: (305) 665-9260
Email: housmanp@bellsouth.net

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

Lerman Senter PLLC
2001 L Street NW
Suite 400
Washington, DC 20036
Attention: Erin E. Kim, Esq.
Telephone: (202) 416-6772
Email: ekim@lermansenter.com

7.5. **Governing Law.** The construction and performance of this Agreement shall be governed by the laws of the State of New York without giving effect to the choice of law provisions thereof.

7.6. **Relationship and Dealings with Third Parties.** Each of the parties hereto is an independent contractor, and no party is, nor shall be considered to be, the agent of another party for any purpose whatsoever. Neither party has any authorization to enter into any contracts nor assume any obligations for the other party nor make any warranties or representations on behalf of the other party, other than as expressly authorized herein. Nothing in this Agreement shall be construed as establishing an agency, partnership, fiduciary relationship or joint venture relationship between the parties hereto. Neither party is nor shall hold itself out to be vested with any power or right to bind contractually or act on behalf of the other party as the other party's contracting broker, agent or otherwise for committing, selling, conveying or transferring any of another party's assets or property, contracting for or in the name of the other party or making any representations contractually binding the other party. The parties hereto acknowledge and agree that the NBC Entities shall be considered third-party beneficiaries under this Agreement.

7.7. **Matters Relating to Interpretation and Organization.** A reference in the singular shall be deemed to include the plural and the plural shall be deemed to include the singular. A reference to one gender shall include any other gender. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” All references to “party” and “parties” shall be deemed references to parties to this Agreement unless the context shall otherwise require. The parties 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. Except as specifically otherwise provided in this Agreement, a reference to a Section, the Schedules or any Exhibit is a reference to a Section of this Agreement or the Schedules or Exhibits hereto, and the terms “hereof,” “herein,” and other like terms refer to this Agreement as a whole, including the schedules and exhibits to this Agreement. The terms “or” is used in its inclusive sense (“and/or”). All references to “Dollars” and “\$” refer to the currency of the United States. The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. “Business Day” means any day excluding Saturdays, Sundays and any day that is a legal holiday under the laws of the United States or is a day on which banking institutions located in New York, New York are authorized or required by applicable law to close.

7.8. **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. Except as expressly set forth herein, no party shall be authorized to act as an agent of or otherwise to represent the other party to 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 and the other documents executed in connection with the transactions contemplated herein, including that certain letter agreement by and between NBCUniversal Media, LLC and Sharer, dated as of the date hereof, constitute 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. This Agreement may be executed in separate counterparts.

[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: WRAZ-TV, INC.

By: 
Name: *Steven D. Hannel*
Title: *Vice President*

SHAREE: ZGS RALEIGH, INC.

By: _____
Name: Peter J. Housman II
Title: President – Business & Corporate Affairs

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:

WRAZ-TV, INC.

By: _____

Name:

Title:

SHARER:

ZGS RALEIGH, INC.

By: Peter J. Housman II _____

Name: Peter J. Housman II

Title: President – Business & Corporate Affairs