

MUTUAL EXCLUSIVITY SETTLEMENT
and
LPTV CHANNEL SHARING
AGREEMENT

Houston, Texas Market

Stations KBPX-LD & KQHO-LD

THIS MUTUAL EXCLUSIVITY SETTLEMENT and LPTV CHANNEL SHARING AGREEMENT (this “Agreement”) is effective as of January 10, 2019 (the “Effective Date”) between and among Word Broadcasting Network, Inc. (“Word”) and New York Broadband LLC and its commonly-owned affiliate, New York Spectrum Holding Company LLC (which are collectively referred as “NYSHC”). Each of Word and NYSHC are individually a “Party” and collectively the “Parties.” This Agreement is binding upon execution by both Parties

RECITALS

A. Word owns and operates the following low power television broadcast station, including its primary and all multicast streams (“KBPX”), pursuant to licenses issued by the Federal Communications Commission (the “FCC”):

KBPX-LD, Houston, Texas, FCC Facility ID No. 17746

B. NYSHC owns and operates the following low power television broadcast station, including its primary and all multicast streams (“KQHO”), pursuant to licenses issued by the FCC:

KQHO-LD, Houston, Texas, FCC Facility ID No. 127916.

C KBPX is currently licensed to operate on RF channel 46. As a result of the repack by the FCC of broadcast television stations, KBPX’s spectrum was eliminated as a result of the repack on December 1, 2018. On May 8, 2018, KBPX filed a Displacement Application with the FCC, File Number 53955, seeking authority to relocate KBPX operations to RF channel 27 (the “KBPX Displacement Application”).

D. KQHO-LD is currently licensed to operate on RF channel 20. As a result of the repack by the FCC of broadcast television stations, KQHO was displaced by KUVN-CD, Missouri City, MO, on December 1, 2018. On April 20, 2018, NYSHC filed a Displacement Application with the FCC, File No. 53168, seeking authority to relocate KQHO’s operations to RF channel 27 (the “KQHO Displacement Application”).

E. The FCC determined in FCC Public Notice DA 18-1108, released October 30, 2018, that the KBPX Displacement Application and the KQHO Displacement Application are mutually exclusive in MX group 70 and must be modified either voluntarily in an FCC approved settlement group or, failing that by means of an FCC-managed auction, where there will be only

INITIALS

KBPX _____
KQHO _____

one surviving applicant. The FCC auctions for MX applicants are not expected to be conducted before the Year 2020.

F. The FCC has also listed a third station (K49LC-D) as being mutual exclusive in MX70 with KBPX and KQHO. K49LC-D is licensed to Gray Television Licensee, LLC (“Gray”), which is assigned to College Station, Texas and operates on RF channel 49, FCC Identification File No. 182059. On May 14, 2018, Gray filed a Displacement Application with the FCC File No. 54049, seeking authority to relocate its operations to RF channel 27 (the “K49LC-D Displacement Application”).

G. In order to eliminate the three-party mutual exclusivity with K49LC-D and to enable Word and NYSHC to resume operations on a shared-channel basis with separately licensed facilities, Word and NYSHC desire to enter into an agreement in accordance with the FCC rules and published policies governing channel sharing of low power television stations and any other FCC orders or public notices relating to the Incentive Auction and channel sharing (collectively, the “Channel Sharing Rules”) in order to arrange to operate a shared 6 MHz channel (the “Shared Channel” or the “Station”) on the terms set forth in this Agreement and Word has entered into a separate agreement with Gray for it to accept minor interference with Word and NYSHC thus eliminating unacceptable the mutual exclusivity.

H. The Parties intend that Word shall be the manager/operator (the “Service Provider”) of the Shared Channels and the Station and shall be responsible for its operations and for the marketing, sales and provisioning of programming on all of the Shared Channels including those owned by and licensed to NYSHC through an industry standard Service Provider’s Agreement and a Local Programming and Marketing Agreement.

I. K49LC-D has agreed to adjust its broadcasts with FCC permission to remove the mutual exclusivity with the Parties hereto. See Exhibit A.

J. The Media Bureau (the “MB”) of the FCC has stated in an informal written communication that Channel Sharing Agreements should be filed as amendments to the pending Displacement Applications and that the MB subsequently will send a letter to the Applicants instructing them as to how to proceed and with what filings.

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 by both Parties, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1: TERM, OPERATIONS, FCC FILINGS.

1.1. Term. The term of this Agreement (the “Term”) shall begin on the Effective Date of this Agreement and shall continue in perpetuity unless earlier terminated in accordance with Article 5 of this Agreement.

1.2. Shared Operations. (i) The Parties shall cooperate in an orderly and mutually agreeable transition to the location proposed in the Chase Tower by the KQHO Displacement Application and with the technical parameters including coverage contour set forth in the KQHO Displacement Application, as may change from time to time by mutual agreement between the Parties (the “Transmitter Site”) using such equipment as is necessary for channel sharing by KBPX and NYSHC in the operation of their respective stations broadcasting on the Shared Channels (as modified or replaced from time to time, the “Shared Equipment,” and together with the Transmitter Site, the “Transmission Facilities”). The Parties shall begin broadcasting from the Shared Channel using the Transmission Facilities on a mutually agreeable date determined by the Parties following the FCC’s final non-reviewable approval of this Agreement and issuance of the CP and license to cover, as defined in Section 1.3(a) (the “Sharing Commencement Date”). For avoidance of doubt, the failure by one or more Parties to commence operation using the Transmission Facilities on or after the Sharing Commencement Date shall not preclude any other Party from commencing operations as provided for in this Agreement.

1.3. FCC Filings.

(a) (i) On or before January 10, 2019 in accordance with the provisions of the FCC Public Notice in MB Docket No. 16-306, DA 18-1108, Oct. 30, 2018, including paragraph 8, each Party shall file with the FCC a request for approval of this Agreement and include a copy of this Agreement and each of the following: (1) a statement outlining the reasons why such agreement is in the public interest; (2) a statement that each Party’s application was not filed for the purpose of reaching or carrying out such agreement; (3) a certification that neither Party nor its principals has received any money or other consideration in excess of their legitimate and prudent expenses; (4) a statement outlining the exact nature and amount of any consideration paid or promised; (5) an itemized accounting of the expenses for which it seeks reimbursement; and (6) the terms of any oral agreement relating to the dismissal or withdrawal of its application and any other applications or amendments required by the FCC. (ii) Each Party shall furnish the other with its aforementioned application filed and with such information and assistance as reasonably necessary in connection with the preparation of the aforementioned applications or the covering license applications. (iii) All costs and FCC filing fees associated with the applications shall be paid by the filing Party. (iv) Neither Party shall take any action that would reasonably be expected to result in the dismissal of either of the Displacement Applications as modified. (v) The Parties shall cooperate in good faith to prepare, submit and prosecute any other applications with the FCC that may be necessary to implement the sharing arrangement contemplated by this Agreement, including license applications for the Shared Channel. (vi) For all purposes herein, the term FCC Final Order shall mean a written order issued by the FCC or a division thereof the time for reconsideration or review by a higher regulatory level or a court having passed and there is no such reconsideration or review pending.

(b) Within five (5) days after the Sharing Commencement Date, the Parties shall jointly file and thereafter diligently prosecute a license application to cover the CP, and shall file and thereafter diligently prosecute a license application with respect to channel sharing.

(c) If the FCC imposes a condition on the approval, performance or terms and conditions of this Agreement or any of the FCC applications filed pursuant to this Agreement that (i) has the effect of materially increasing the cost of performance by a Party of its obligations under this Agreement or (ii) cancels, changes or supersedes any material term or provision of this Agreement (collectively, a “Regulatory Condition”), then the Parties shall negotiate in good faith

to modify this Agreement in a manner consistent with the form, intent and purpose of this Agreement and as may be necessary to comply with such Regulatory Condition, while maintaining to the greatest extent possible the benefit of the bargain of this Agreement prior to the imposition of such Regulatory Condition, *provided* that no Party shall be required to agree to any amendment that would deprive that Party of a material benefit of this Agreement as determined by that Party.

ARTICLE 2: CAPACITY, FCC LICENSES, BUSINESS PLAN

2.1. Allocation of Bandwidth. (i) Pursuant to the Channel Sharing Rules, from and after the Sharing Commencement Date, Word and NYSHC shall share equally all of the capacity of the 6 MHz Shared Channel (which is equal to 19.39 Megabits per second (“Mb/s”) as allocated under the current ATSC 1.0 system) taking into account the different bit rates of different program types in accordance with the allocation set forth on *Schedule 2.1*. (ii) Word and NYSHC 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 (at least 480p in ATSC 1.0 operations) over-the-air program stream at all times.

2.2. Encoding. In order to take advantage of a Stat Mux pool, KBPX and NYSHC may implement a single common encoding pool.

2.3. Business & Operations Plan. (i) The Parties shall meet reasonably promptly after the filing of this Agreement with the FCC to commence the adoption by both Parties of a comprehensive business and operations plan (the “Business Plan”) covering all matters that are traditionally addresses in a TV station operating plan. Without limiting the scope of the Business Plan, it shall cover in appropriate and reasonably knowable detail: (w) the implementation of ATSC 3.0 (or other major technical changes) including its scope, technical parameters, timing, equipment, projected cost and projected revenue; (x) interim operations prior to the implementation of 3.0; (y) the plan for marketing and sales by the Service Provider of programming for all of the Shared Channels and (z) pro forma financials showing expenses, revenue, cash flow, EBITDA. (ii) The Plan shall be reviewed every three (3) months and may be altered at any time by approval of both Parties, (iii) Any budget, cost allocation and timeline for implementing ATSC 3.0 or other technical changes shall comply with applicable FCC rules and regulations and meet generally accepted industry standards.

2.4. FCC Modifications. In the event that the FCC requires new standards of modulation or other modifications to the operation of the Transmission Facilities or the Shared Channel, the Parties shall timely make any such modifications in compliance with such requirements established by the FCC. In the event that such changes alters the available bandwidth on the Shared Channel, Word and NYSHC will cooperate to divide the available bandwidth equally following such modifications.

2.5. New Transmission Technologies. Except for mandatory changes required by the FCC the Parties shall act jointly to adopt, deploy or implement any new transmission systems or new technical standards, including ATSC 3.0. Any budget, cost allocation and timeline for implementing the ATSC 3.0 Upgrade or any other new mutually agreed transmission technologies shall comply with applicable FCC rules and regulations, meet generally accepted industry standards and shall be mutually agreed to by Word and NYSHC.

2.6. Use of Capacity. (i) 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 broadcasting one stream or multiple streams and broadcasting content provided by third Parties; *provided* that each Party shall be responsible for all of its costs associated with adding multiple program streams requested by it to the encoding pool and for the purchase and use of any equipment that does not benefit the other Party. (ii) Neither Party shall take any action that interferes with the other's use of capacity on the Shared Channel or the Transmission Facilities. (iii) Each of Word and NYSHC shall have the right, in its sole discretion, and subject to the provisions of this Agreement, to enter into additional channel sharing or sub-sharing agreements within its allocated capacity on the Shared Channel that do not have a material adverse effect on the other Party's unfettered use of its station or the Shared Channel or to sell, transfer, hypothecate or place a lien on its Shared Channels.

2.7. Transmissions. Subject to the provisions of the Service Provider Agreement and Local Programming and Marketing Agreement to be entered into between the Parties, each of Word and NYSHC shall be responsible, at its sole expense, for transmitting its station's programming in a broadcast-ready final format to the Transmitter Site or other demark with the Station. The Station operator may encode, compress or modulate a Party's content as required to statistically multiplex together the Parties' individual content streams using the parameters set forth in this Agreement. The Parties shall have equal access, without any fees, to all equipment used in reception of the incoming signals and their transmission including satellite and Internet and right to install its own reception equipment without any expenses or fees to be paid to third Parties.

2.8. FCC Licenses.

(a) Authorizations. Each Party shall maintain all FCC licenses necessary for operation of its Shared Channels in full force and effect during the Term. Neither Party shall make any filing with the FCC to modify its Shared Channel without the prior written consent of the other Party, which filing shall be promptly delivered to the other Party.

(b) Compliance with Law. Each Party shall comply with this Agreement, the Channel Sharing Rules, and with all other FCC and other applicable laws with respect to its ownership and operation of its station subject to this Agreement and its use of the Shared Channels. Word shall be solely responsible for all content it transmits on the Shared Channel, and NYSHC shall be solely responsible for all content it transmits on the Shared Channel.

(c) Control/Service Provider. (i) Word, in its capacity as Service Provider, and in compliance with all applicable FCC rules and the Service Provider Agreement, shall supervise and direct the day-to-day operations of all of the Shared Channels *provided nonetheless* that at all times the ultimate control of the Shared Channels shall lie in the hands of the licensee of the Shared Channel at issue to the maximum extent required by the FCC's Channel Sharing Rules. Nothing in this Agreement shall be interpreted or enforced to adversely affect any such responsibilities. (ii) Neither Party shall use the call letters of the other's Shared Channels in any medium, except in correspondence with the FCC related to the performance of this Agreement.

(d) Channel Sharing Documents. In the event that the FCC adopts changes to the Channel Sharing Rules, the Parties shall undertake good faith negotiations to amend this

Agreement to the minimal extent necessary in order to comply with such changes. Each Party shall notify the other Party of all documents filed with or received from the FCC with respect to this Agreement, the transactions contemplated hereby or the Shared Channel, and within five (5) business days shall provide the other with copies of such documents to the extent permitted by FCC rules and other applicable laws.

(e) Channel Identification. Each Party shall choose which virtual channel it wishes to broadcast on *provided* that neither Party may choose channel 27. By way of illustration, Word may utilize 46.x and NYSHC may utilize 20.x for their respective primary and secondary virtual channels, where “x” is 1, 2, 3, etc.

ARTICLE 3: OPERATIONS

3.1. Transmission Facilities.

(a) Access. Each Party shall have reasonable access to the Transmitter Site upon reasonable notice twenty-four (24) hours a day, seven (7) days *provided* that each Party shall assume all responsibility for any loss, damage, or liability caused by its employees or contractors while at the Transmitter Site. Each Party shall have an industry standard umbrella insurance policy naming the other parties as beneficiaries. Insurance declarations shall be furnished to the other Party ten (10) days prior to the Shared Commencement Date.

(b) Shared Equipment. (i) The Parties shall mutually agree on the specifications and cost of the new equipment (the “New Equipment”) that must be purchased in order to operate the Station. (ii) The Parties shall share equally the ownership and the cost of the purchase and operation of the New Equipment. (iii) The Parties shall create a Joint Venture to own the common equipment. (iv) The Parties also shall mutually agree on which equipment that is already on the site of one of the existing stations (the “Used Equipment”) can be and should be used at the new Station for joint operations. (v) Any present owner of any Used Equipment that is installed at the Station for joint operations shall be reimbursed by the other Party within thirty (30) days of its installation for one-half of the depreciated cost of the Used Equipment. The Parties shall mutual agree on the amount of the depreciated cost as determined by GAAP accounting rules. (vi) The New Equipment and the Used Equipment that is jointly used by the Parties in operation of the Station shall be referred to as the “Shared Equipment.” (vii) The Shared Equipment shall include any replacements of such items or additions thereto as mutually agreed by the Parties from time to time in accordance with this Agreement. (viii) Title to all Shared Equipment shall be in the name of the Joint Venture. (ix) The Service Provider shall operate, maintain and repair the shared Transmission Facilities in accordance with best practices customary in the television industry.

(c) Exclusive Equipment. (i) Each Party 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. (ii) Title to all such equipment solely owned by a Party shall remain with such Party. (iii) The Parties shall share the space in the transmitter shed used for their own equipment and shall share the cost equally.

(d) Use of Facilities. Neither Party shall permit to exist any lien, claim or encumbrance on the Transmission Facilities including pledges of its Transmission Facilities for a

general debt. Each Party shall ensure that in the event of a bankruptcy of one Party the other Party shall have a superior position to the creditors of the bankrupt Party as it relates to the Facilities. Each of the Parties shall:

(i) not interfere with the business and operation of the other's Shared Channels or the other's use of such facilities;

(ii) use the Transmission Facilities only for the operation of its Shared Channels in the ordinary course of business, including any purpose permitted under this Agreement or the terms of its station's FCC authorizations;

(iii) maintain, at its own expense, industry standard insurance with respect to its use of the Transmission Facilities and operations from the Transmission Facilities during the Term and name the other Party as an additional insured under such policies and shall deliver a copy of the declarations page to the other Party prior to the Commencement Date; and

(iv) comply in all material respects with all laws applicable to its operations relating to the Transmission Facilities.

(e) Cooperation. In the event either Party determines, in its good faith discretion, that it is reasonably necessary for the other Party to reduce, limit or temporarily cease use of the Shared Equipment, the Shared Channel or the other Party's equipment located at the Transmitter Site so that the requesting Party can maintain, install, repair, remove or otherwise work on the Shared Equipment, the Shared Channel or its station, then the other Party shall cooperate with such request. If requested, the non-requesting Party shall temporarily reduce, limit or cease use of the Shared Equipment, the Shared Channel or its equipment located at the Transmitter Site so that the requesting Party can perform such work, *provided* that the requesting Party takes all reasonable industry standard measures to minimize the amount of time the non-requesting Party shall operate with reduced facilities and that the requesting Party takes all reasonable measures to schedule such installation, maintenance, repairs, removal or work at a commercially reasonable time convenient to the non-requesting Party, between the hours of midnight and 5 a.m. if practicable. In all events, the requesting Party shall conduct all actions contemplated by this Section in accordance with applicable law and good engineering practices.

(f) Alterations to Transmission Facilities. The Parties shall discuss on an ongoing basis from time to time appropriate future capital expenditures that may be reasonably necessary or desirable to improve, upgrade or otherwise alter the Transmission Facilities, *provided, however*, that neither Party shall upgrade or modify the shared Transmission Facilities without the other Party's prior consent, such consent not to be unreasonably withheld.

(g) Operational Responsibilities. Word shall be the manager and operator (aka "Service Provider") of KQHO-LD in accordance with the Service Provider Agreement to be negotiated in good faith with a target completion date of March 1, 2019.

(h) Contractors. All contractors and subcontractors of the Parties who perform any service 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 Texas in commercially reasonable types and amounts.

3.2 Local Programming and Management (aka “LMA”). The Parties shall negotiate in good faith an industry standard LMA whereby NYSHC shall make one or more of its Shared Channels available for exclusive use of Word to market to third parties to use for industry standard remuneration to the Parties as set forth in the LMA. The Parties shall exercise best efforts to complete and execute the LMA and the Service Provider Agreement no later than October 18, 2019. If such instruments have not both been executed on or before that date, then whichever such instruments have not been executed shall be submitted to Dispute Resolution pursuant to Section 6.7.

3.3. Interference. Each Party shall use commercially and industry standard reasonable efforts to avoid interference to the other Party or third Parties by its operations from the Transmitter Site and to promptly resolve any interference that arises in connection with such operation. Neither Party shall make any 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 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 possible.

3.4. Force Majeure. Neither Party shall be liable to the other for any failure 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) Operating and Capital Costs. The common expenses of operating the Shared Channel and the Transmission Facilities and the capital costs shall be shared equally as set forth on *Schedule 3.4*.

(b) Sole Costs of Each Party. Each Party shall be solely responsible for (i) costs for any necessary link between its station’s studio site and the Transmitter Site for broadcast on a Shared Channel, (ii) all Expenses related to any equipment solely owned by it and located at the Transmitter Site and (iii) all of its expenses not related to the Transmission Facilities.

3.6. Consultation Regarding Operational Matters. In order to address ongoing operational, technical or engineering issues that may arise following the date of this Agreement, each Party shall identify one or more officers or senior personnel with sufficient authority and technical experience to reach agreement with the other Party on such issues independently and 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 (as defined below), to confer in good faith to address matters related to operations, including without limitation discussing technological, logistical or marketplace changes that may affect the Transmission Facilities, reviewing the technical parameters of this Agreement, discussing proposed capital expenditures and any outstanding payments under 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. Such meetings shall be held at least monthly and may be done remotely.

3.7. Representations and Warranties.

(a) Word Representations. Word represents and warrants to NYSHC that: (i) it has obtained all FCC and other material governmental agency approvals necessary for its operations on KBPX as currently operated by it and (ii) its ownership and operation of KBPX complies with the FCC rules, regulations and policies and other applicable laws in all material respects,

(b) NYSHC Representations. NYSHC represents and warrants to Word that it has obtained all FCC and other material governmental agency approvals necessary for its operations on KQHO as currently operated by it and (ii) its ownership and operation of KQHO complies with the FCC rules, regulations and policies and other applicable laws in all material respects.

(c) Mutual Representations. Each Party represents to the other that the statements concerning its FCC licenses and other statements concerning its operations and authorizations are true and correct.

ARTICLE 4: INDEMNIFICATION

4.1. General Indemnification. Subject to Section 4.3, 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 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. 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 court costs from the non-prevailing Party.

4.2. Operational Indemnification. Without limiting the terms of Section 4.1, subject to Section 4.3, each Party shall indemnify, defend and hold the other harmless from and against any and all loss, liability, cost and expense (including without limitation 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. Neither Party shall have any obligation or liability with respect to the other Party's station, except as specifically set forth in this Agreement.

4.4. Indemnification Procedures. The Party seeking indemnification hereunder shall: (i) grant the indemnifying Party prompt 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.

ARTICLE 5: TERMINATION AND REMEDIES

5.1. Termination.

(a) Breach. Either Party may terminate this Agreement by Notice to the other Party in the event of a material breach of or default under this Agreement which is not cured within ninety (90) days after Notice of such breach or default. For purposes of this Agreement, a material breach or default shall be defined as a breach of a material obligation of a Party under this Agreement that (i) results in a fundamental impairment of a Party's ability to broadcast its programming on the Shared Channel or (ii) constitutes a failure by a Party to pay the other Party within the time frame allowed any undisputed payment owed under this Agreement. In the event of a termination for breach, the breaching Party shall have fifteen (15) days following the Notice period and termination to either cure the breach or commence a lawsuit seeking a declaration that it is not in material breach. If the breaching Party does not cure the breach or commence such a lawsuit or if a final judgment is issued against the breaching Party, then this Agreement shall terminate and the breaching Party's spectrum usage rights for the full 6 MHz Shared Channel shall revert to the non-breaching Party subject to any required FCC approval.

(b) Loss of License. If either Party's FCC authorization to operate on the Shared Channel is voluntarily or involuntarily revoked, rescinded, relinquished, canceled, materially impaired, withdrawn, surrendered, not renewed or otherwise terminated for any reason following, if applicable, a Final non-reviewable FCC order, then simultaneously therewith that Party's spectrum usage rights for the Shared Channel shall revert to the other Party and this Agreement shall terminate. In such event, the Parties shall prosecute such FCC filings and take such further actions as may be reasonably necessary for the surviving Party to assume such spectrum.

(c) 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 6.1 and 6.9, and all payment obligations (unless successfully disputed) arising prior to termination shall survive any termination or expiration of this Agreement.

(d) Surrender of Facilities. Within fifteen (15) days after the effective date of any termination of this Agreement, the non-surviving Party shall vacate the Transmitter Site, remove all of its assets from the Transmitter Site, surrender the Transmitter Site in substantially the same condition existing on the Sharing Commencement Date (reasonable wear and tear excepted) and return to the other Party all keys and other means of entry to the Transmitter Site. The surviving Party shall have the right, but not the obligation, to acquire any Shared Equipment by paying to the non-surviving Party its share of the fair market value of the Shared Equipment taking into account reasonable wear and tear and depreciation since its acquisition. (ii) In the event there is a mutual termination or a sale of one Party's entire ownership interest as approved hereunder: (w) in the case of mutual termination, the Parties shall divide the commonly owned property in on a 50/50 basis or (x) in the case of a sale or otherwise a transfer of one Party's entire interest to a third party, the transferring Party shall be compensated within sixty (60) days in an

amount equal to the fair market value as determined by an independent appraiser paid by the transferring Party and all commonly-owned property thenceforth shall be owned free and clear of all liens by the non-transferring Party.

(e) Right of First Refusal ("RoFR"). The Parties shall enter into an ROFR which shall provide that, if one Party receives a bona fide offer to sell its Shared Channels, it must offer the other Party the right to buy the offered Shared Channels on the same terms.

5.2. Specific Performance/Damages. (i) The Parties agree that the opportunity to have all of their FCC Applications granted is unique to each of them. Accordingly, the Parties agree, that, in addition to any other available remedies, in the event of a 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. (ii) No Party will be entitled to make any claim against any the other Party for more than actual out-of-pocket damages. No claim may be made for lost profits, lost investment opportunities or consequential or punitive damages.

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/Non-solicitation. (i) 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 negotiation, execution or performance of this Agreement (including the non-technical aspects of the operations such as customer lists, advertising and sublease rates and revenues of each Party's own subchannels) shall be kept strictly confidential and shall not be disclosed to any third person or entity except on a confidential basis to their representatives, agents and lenders. (ii) 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 except as required by the FCC filings enumerated herein.

6.2. 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, (ii) it is in good standing in the jurisdiction of its organization and, if necessary, is qualified to do business in the state of Texas, (iii) it has duly authorized the execution of this Agreement by one of its officers; (iv) this Agreement is legally binding upon it, (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 (vi) to the best of its knowledge there no reason why it cannot fully perform all of its obligations under this Settlement Agreement.

6.3. Assignment. (i) Upon prior Notice (as defined below) to the other Party, a Party may assign this Agreement to any FCC-approved assignee or transferee of its license herein, who shall assume this Agreement in a writing delivered to the other Party, effective upon consummation of such assignment or transfer. (ii) The assigning Party shall provide at least ten (10) days prior Notice to the other Party of the earlier of either the execution of such assignment or the filing of any such assignment or transfer with the FCC. (iii) No assignment shall relieve any Party of any obligation or liability under this Agreement. (iv) 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. Severability. (i) 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. (ii) If any court or governmental authority with jurisdiction holds any provision of this Agreement invalid, illegal or unenforceable under any applicable law, then, so long as no Party is deprived of the material 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.

6.5. 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, with, in the case of use of a third party courier, an email being sent simultaneously with delivery to the courier, and shall be addressed as follows (or to such other address as any Party may request by written notice):

if to Word: Work Broadcasting Network, Inc.
3701 Fern Valley Road
Louisville, KY 40219
Telephone: (502) 964-2121
Email: Tom@wbna21.com

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

Anthony T. Lepore, Esq.
Radiotvlaw Associates, LLC
4101 Albemarle St NW #324
Washington, DC 20016
Telephone: (202) 681-2201
Email: anthony@radiotvlaw.net

if to NYSHC:

Michael Do
Chief Operating Officer
New York Spectrum Holding Company LLC &

New York Broadband LLC
12020 Sunrise Valley Drive
Reston VA 20191
Telephone: (571) 471-8806
Email: michael.do@nybbsat.com

with a copy, which shall not constitute notice, to:

W. Theodore Pierson, Jr.
1250 South Washington St/
Unit 420
Alexandria VA 22314
[Email: ted.pierson@nybbsat.com](mailto:ted.pierson@nybbsat.com)

6.6. Governing Law. The construction and performance of this Agreement shall be governed by the laws of the State of Texas regardless of its conflict of laws provisions. Any disputes that are to be tried in a court of law shall be tried in the appropriate federal or state court within the State of Texas. The Parties waive trial by jury and the right to raise an issue of an inconvenient forum. The Parties shall each bear their own costs including the cost of expert witnesses, attorneys and court costs regardless of the resolution of the dispute.

6.7. Dispute Resolution Process. In the event of any controversy or claim arising out of or relating to this Agreement, the Parties shall first consult and negotiate in good faith with each other and attempt in good faith to reach a solution satisfactory to both Parties through consultations among their respective senior executives. If the issue remains unresolved for a period of thirty (30) days, then the Parties shall 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. In the event that such mediation fails to resolve the dispute within a period of thirty (30) days, the Parties shall submit to binding arbitration under the rules of the American Arbitration Association in offices located in the State of Texas.

6.8. Insolvency. 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 Notice of such proceeding to the other Party and promptly provide all information with respect thereto as reasonably requested by the other Party.

6.9 FCC Compliance.

(a) Each Party hereby certifies to the other Party and to the FCC that neither the Party Applicant nor any of its principals has paid or promised to pay any monetary or non-monetary consideration, other than agreeing to execute this Settlement and CSA Agreement, to the other Party Applicant or to the principals of the other Party Applicant in return for entering into this Agreement, nor has the executing Party Applicant or its principals been paid or promised any consideration by the other Party Applicant or any of its principals.

(b) Each Party Applicant, by executing this Agreement, certifies to the other Party Applicant and to the FCC that its Displacement Application was not filed for the purpose of reaching or carrying out this Agreement.

6.10. Additional Miscellaneous. (i) This Agreement may not be amended except in a writing executed by both Parties. (ii) 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. (iii) Neither Party shall be authorized to act as an agent of or otherwise to represent the other Party. (iv) 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. (v) This Agreement (including the Schedules hereto which are made a part hereof) constitutes the entire agreement and understanding between the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings with respect to the subject matter hereof regardless of whether they were written or oral. (vi) Neither Party makes any representation or warranty with respect to the transactions contemplated by this Agreement except as expressly set forth in this Agreement. (vii) This Agreement may be executed in separate counterparts. (viii) The terms of this Agreement shall bind and inure to the benefit of the Parties' respective successors and any permitted assigns. (ix) The phrase "including" is not intended to be limiting and shall be construed to mean without limitation. (x) Neither Party shall be considered to have drafted this Agreement. (x) The person executing this Agreement for each Party has been duly authorized. (xi) All references to "days" shall be deemed to be a reference to calendar days unless otherwise specified.

Schedules Attached

Schedule 2.1 Capacity Allocation & Rules
Schedule 3.4 Expenses
Exhibit A Gray Television Document

[SIGNATURES ON NEXT PAGE]

SIGNATURE PAGE TO LPTV CHANNEL SHARING AGREEMENT

IN WITNESS WHEREOF, the Parties have duly executed this LPTV Channel Sharing Agreement as of the Effective Date.

WORD BROADCASTING NETWORK, INC.

By: Robert W. Rodgers
Date Signed: 1-10-19
Name: Robert W. Rodgers
Title: President

NEW YORK BROADBAND LLC

By: Michael Do
Date Signed: Jan 10, 2019
Name: Michael Do
Title: Chief Operating Officer

NEW YORK SPECTRUM HOLDING COMPANY
LLC

By: Michael Do
Date Signed: Jan 10, 2019
Name: Michael Do
Title: Chief Operating Officer

Schedule 2.1
Capacity Allocation & Rules

(A) Subject to Section 2.1, the following is the Parties' agreement with respect to the allocation of the capacity of the Shared Channel:

- (i) 50% to KBPX, and
- (ii) 50% to KQHO,

in each case where such bandwidth is calculated on an average basis using statistical multiplexing.

(B) Statistical multiplexing or "Stat Mux" shall be used by the Parties with variable transport rates in the broadcast of the Shared Channel. The Parties shall implement a mutually beneficial weighting system as allowed by the encoding pool and use the software optimization technology of "Stat Mux" or a successor technology mutually agreed upon by the Parties. Such system shall be implemented as follows:

- (i) each Party shall designate one program stream with the highest priority within its allocated capacity;
- (ii) all other program streams shall have a lesser priority; and
- (iii) the Parties shall cooperate to devise a system that produces the best results for each Party with minimum picture degradation, subject to the constraints imposed by the allocation of capacity set forth on this *Schedule 2.1* and in Section 2.1.

Schedule 3.4

Expenses

- (A)(i) Each Party shall pay fifty percent (50%) of the reasonable expenses to construct, equip, maintain and operate the Transmission Facilities for the Shared Channel, including all operating and capital expenditures (the “Expenses”).
- (B) (i) The Station Operator shall invoice the other Party twenty (20) business days prior to the start of each month for that Party’s share of the estimated reasonable Expenses for that month, the payment for which invoice shall be due no later than the first day of that month. (ii) For avoidance of doubt “reasonable” shall be defined as expenditures that are similar to the standard expenditures for the Low Power Television industry. (iii) Within twenty business (20) days of the end of each calendar year, the Station Operator shall provide the other Party with a true up of actual expenses for the prior year, with a credit if actual expenses were below the initial estimate or an invoice if actual expenses exceeded the initial estimate which invoice shall be due and payable within thirty (30) business days of its delivery.
- (C) Any amounts due from any Party and unpaid by the tenth day of the quarter shall accrue simple interest at a rate of one and one-half percent (1.5%) per month. The Station Operator shall send an invoice for unpaid expenses including the interest due, which invoice shall be due and payable within thirty (30) days.