

## EXHIBIT C

### FORM OF TRANSITION SERVICES AGREEMENT

This Transition Services Agreement (this “**Agreement**”) is dated \_\_\_\_\_, 2015 and is between KITV, Inc., a Delaware corporation (“**Buyer**”), and Hearst Stations Inc., a Nevada corporation (“**Seller**”).

#### BACKGROUND

Buyer and Seller have entered into that certain Asset Purchase Agreement dated as of April \_\_, 2015 (the “**Purchase Agreement**”) providing for the purchase by Buyer from Seller of substantially all of the assets and business relating to broadcast television stations KITV(TV), Honolulu, Hawaii (Facility ID No. 64548); KMAU(TV), Wailuku, Hawaii (Facility ID No. 64551) (satellite of KITV); and KHVO(TV), Hilo, Hawaii (Facility ID No. 64544) (satellite of KITV) (each a “**Station**”, and collectively, the “**Stations**”).

Seller has agreed to provide, and cause its Affiliates to provide, independently or through other parties providing services to Seller, the Transition Services (as herein defined) to Buyer upon the terms and conditions set forth herein.

Buyer and Seller therefore agree as follows:

#### ARTICLE I

##### DEFINITIONS

1.1 Reference to Purchase Agreement. All capitalized terms used but not specifically defined in this Agreement have the meanings assigned to them in the Purchase Agreement.

#### ARTICLE II

##### SERVICES

2.1 Services to be Provided by Seller. From and after the Closing, on the terms and subject to the conditions set forth herein, during the Term Seller shall provide, or shall cause its Affiliates or the applicable parties providing the services hereunder to Seller to provide, to Buyer, the transition services (“**Transition Services**”) described on Schedule A attached hereto (the “**Services Schedule**”). Upon the reasonable request of Buyer for access to any additional services that are not currently contemplated in the Services Schedule but that were provided by Seller or its Affiliates, or otherwise made available to, the Stations prior to the Closing, Seller agrees to provide or cause to be provided during the Term such additional services to the Stations on such terms to be mutually agreed upon in good faith by the parties. Upon mutual written agreement as to the nature, cost, duration and scope of such additional services, the parties shall supplement in writing the Services Schedule and such additional services so provided by Seller shall constitute Transition Services under this Agreement and be subject in all respect to the provisions of this Agreement as if fully set forth on the Services Schedule as of the date hereof.

2.2 Cooperation and Transitional Nature of Services. From the Closing Date until the expiration or termination of each of the Transition Services, each of the parties agrees to use its reasonable good faith efforts to work together so that the provision of Transition Services may be transitioned to Buyer as soon as is reasonably practicable. Buyer and Seller shall cooperate with each other in all reasonable respects in the performance by Seller of the Transition Services.

## ARTICLE III

### COMPENSATION

#### 3.1 Service Fees.

(a) It is the intent of the parties that the applicable fees set forth in the Services Schedule (x) reasonably approximate the cost of providing the Transition Services, including the cost of employee wages and compensation, contractor and consulting fees, without any intent to provide Seller with a profit or for Seller to incur loss, and (y) are allocated to Buyer on the same basis as Seller allocated to the Stations prior to the Closing for its internal accounting. The fees payable to Seller for each Transition Service (the “**Service Fees**”) are set forth next to the Transition Service on the Services Schedule, as updated from time to time for any additional services agreed to pursuant to Section 2.1. Following completion of each calendar month during the Term, Seller shall send to Buyer an invoice setting forth the Service Fees for such month. Buyer shall pay any Service Fees due and payable on such invoice within 30 business days following the receipt of such invoice. Should Buyer dispute any portion of the amount due on any invoice or require any adjustment to an invoiced amount, Buyer shall notify Seller in writing of the nature and basis of the dispute and or adjustment as soon as reasonably possible. The parties shall use commercially reasonable efforts to resolve the dispute prior to the payment due date.

(b) For purposes of clarity, in addition to the payment of Service Fees as set forth in Section 3.1(a), Buyer shall reimburse Seller for all direct costs and reasonable out-of-pocket expenses, fees and charges paid by Seller to third parties in accordance with the terms and conditions of the applicable contract as in effect on the Closing Date in connection with performing the applicable Transition Services (“**Third Party Pass-Through Cost**”), but only to the extent that such costs and expenses are not already included in the Service Fees; provided, however, that Buyer shall not be required to reimburse any Third Party Pass-Through Cost that is not substantially consistent with the past practice and ordinary course of dealing between Seller and the applicable third party provider. Documentation supporting such Third Party Pass-Through Cost will be provided along with the invoice provided by Seller pursuant to Section 3.1(a).

## ARTICLE IV

### COVENANTS

4.1 Compliance with Laws. Each party shall comply, at its own expense, with all Laws that may be applicable to the performance by such party of this Agreement, including the performance of the Transition Services hereunder.

4.2 Performance. The Transition Services shall be provided in substantially the same manner and at substantially the same quality level in which such services were provided by Seller or its Affiliates, as applicable, for the Stations immediately prior to the Closing (or as provided to Seller or such Affiliate). Buyer shall use the Transition Services for substantially the same purposes and in substantially the same manner as the Stations had used such services immediately prior to the Closing. Buyer shall not resell any of the Transition Services to any Person whatsoever or permit the use of the Transition Services to any Person other than in connection with the conduct of the Station Business in the ordinary course of business consistent with past practice (which shall include the management company engaged by Buyer to operate the Stations).

4.3 Personnel. Seller agrees that the Transition Services to be performed by it or on its behalf will be performed by individuals in a manner providing quality at standards consistent with the provisions of Section 4.2.

4.4 Representatives. Buyer and Seller will each designate a principal representative (each, a “**Representative**”) in connection with this Agreement. Buyer’s initial Representative will be Wade O’Hagan, and Seller’s initial Representative will be John Drain. Contemporaneously with the execution of this Agreement, Buyer and Seller have exchanged, or will exchange, the mailing address, email address, telephone number and fax number for their respective Representatives. Each party may change its Representative upon written notice to the other party stating the name and contact information for the party’s replacement Representative.

4.5 Books and Records. All financial records regarding the Transition Services shall be maintained in accordance with generally accepted accounting principles consistently applied.

4.6 Disclaimer. NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, STATUTORY, EXPRESS OR IMPLIED, REGARDING THE SERVICES. EACH PARTY EXPRESSLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE AND TITLE.

## ARTICLE V

### TERM AND TERMINATION

5.1 Term of Transition Services. Seller shall provide or cause to be provided the Transition Services from the Closing Date through and until the ninetieth (90<sup>th</sup>) day after the Closing Date, except with respect to any Transition Service for which a shorter period is specified in the Services Schedule (the “**Term**”). Notwithstanding the foregoing, Buyer may, upon fifteen (15) days prior notice to Seller, eliminate or terminate one or more Transition Service(s) in its/their entirety and such Service Fees related to such Transition Service(s) shall terminate as of the effective date of such elimination or termination. Upon the termination of all Transition Services pursuant to this Section 5.1, this Agreement shall automatically terminate.

5.2 Termination by Mutual Consent. This Agreement may be terminated by the mutual written consent of Seller and Buyer.

### 5.3 Other Termination.

(a) Seller shall be in default hereunder if (i) Seller fails to provide the Services in good faith and such default continues uncured for fifteen (15) days following receipt of written notice thereof from Buyer describing such default in reasonable detail or (ii) Seller materially breaches the confidentiality obligations set forth in Article VII. Buyer shall be in default hereunder if (X) Buyer fails to pay undisputed amounts payable hereunder and such nonpayment continues uncured for fifteen (15) days following receipt of written notice thereof from Seller or (Y) Buyer materially breaches the confidentiality obligations set forth in Article VII.

(b) If there is any default by Buyer hereunder, Seller may terminate this Agreement.

(c) If there is any default by Seller hereunder, Buyer may terminate this Agreement (or any Transition Services hereunder) and recover any amounts paid in advance that relate to any Transition Services not yet performed.

(d) In addition to the remedies set forth in clauses (b) and (c) above, a non-defaulting party shall have all other remedies available at law or equity in respect of any breach of or default under this Agreement, subject to Section 6.2.

(e) All rights and obligations of Seller and Buyer shall cease to have effect immediately upon any termination of this Agreement except that termination shall not affect the accrued rights and obligations of Seller and Buyer at the date of termination, and Articles VI, VII and VIII shall survive expiration or termination of this Agreement.

## ARTICLE VI

### REMEDIES

6.1 Consequential and Other Damages. Neither party shall be liable to the other party, whether in contract, tort (including negligence and strict liability), or otherwise, for any special, indirect, incidental or consequential damages whatsoever (including, to the extent such damages may be limited by contract under applicable law, punitive damages), which in any way arise out of, relate to, or are a consequence of, its performance or nonperformance hereunder, or the provision of or failure to provide any Service hereunder, including but not limited to loss of profits; provided, however, that the foregoing shall not apply with respect to breaches of Section 7.1 (Confidentiality).

6.2 Limitation of Liability. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, SELLER SHALL NOT HAVE ANY LIABILITY UNDER ANY PROVISION OF THIS AGREEMENT ARISING FROM ANY ACT OR OMISSION OF SELLER IN CONNECTION WITH THE PERFORMANCE OF THE SERVICES, EXCEPT TO THE EXTENT ANY SUCH LIABILITY DIRECTLY RESULTS FROM THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF SELLER; PROVIDED, HOWEVER,

THAT THE FOREGOING SHALL NOT LIMIT SELLER'S LIABILITY TO THE EXTENT IT RESULTS FROM THAT PARTY'S BREACH OF SECTION 7.1 (CONFIDENTIALITY).

## ARTICLE VII

### CONFIDENTIALITY

7.1 Confidentiality. Buyer and Seller shall hold all confidential or proprietary information obtained in connection with the provision by Seller of the Transition Services or receipt by Buyer of the Transition Services and relating to Seller's or Buyer's business ("**Confidential Information**") confidential. The receiving party shall not disclose any Confidential Information of the disclosing party to any third party unless the receiving party is legally compelled to disclose such information, in which event the disclosing party shall provide the receiving party with written notice of such legal compulsion to disclose.

## ARTICLE VIII

### MISCELLANEOUS

8.1 Independent Entities. In providing the Transition Services hereunder, Seller and its Affiliates shall act solely as an independent contractor and nothing in this Agreement will constitute or be construed to be or create a partnership, joint venture, or principal/agent relationship between Seller and its Affiliates, on the one hand, and the Buyer, on the other, and neither party shall enter into any agreement or commitment which is binding on the other. Without limiting the foregoing, with respect to the employees of Seller or its Affiliates that provide Transition Services hereunder, Seller or its Affiliates, as applicable, shall be solely responsible for the payment and provision of all wages, bonuses, consulting and other fees, and commissions, employee benefits, including severance and worker's compensation, and the withholding and payment of applicable taxes relating to such employment or engagement, as applicable.

8.2 Headings. Article and Section headings in this Agreement are included herein for convenience of reference only and shall in no way restrict or affect the interpretation of any provision hereof.

8.3 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall, taken together, be considered one and the same agreement.

8.4 Governing Law. This Agreement and the negotiation, execution, performance or nonperformance, interpretation, termination, construction and all matters based upon, arising out of or related to this Agreement, whether arising in law or in equity (collectively, the "**Covered Matters**"), and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to the Covered Matters, except for documents, agreements and instruments that specify otherwise, shall be governed by the laws of the State of New York without reference to any choice of law principles of the laws of such State.

8.5 Waiver of Jury Trial. Each party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby. Each party to this Agreement certifies and acknowledges that (a) no representative of any other party has represented, expressly or otherwise, that such other party would not seek to enforce the foregoing waiver in the event of a legal action, (b) such party has considered the implications of this waiver, (c) such party makes this waiver voluntarily, and (d) such party has been induced to enter into this agreement by, among other things, the mutual waivers and certifications in this Section 8.5.

8.6 No Third Party Beneficiaries. This Agreement is not intended to confer upon any Person other than the parties hereto any rights or remedies hereunder.

8.7 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns; provided, however, that no party may assign this Agreement without the express prior written consent of the other party.

8.8 Entire Agreement/Amendment. This Agreement, including the Services Schedule attached to this Agreement (which is hereby made a part of and incorporated into this Agreement), constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior written and oral agreements between the parties regarding the subject matter of this Agreement. No amendment or 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 amendment, waiver, or consent is sought.

8.9 Severability. If any provision of this Agreement is found to be illegal or unenforceable, the other provisions shall remain effective and enforceable to the greatest extent permitted by law.

8.10 Other Agreements. Nothing contained in this Agreement is intended to amend or modify in any respect the rights and obligations of the parties to the Purchase Agreement.

8.11 Force Majeure. A party will not be liable to the other for any delay or failure of the party to perform its obligations hereunder if such delay or failure arises from any cause or causes beyond the reasonable control of the nonperforming party. Such causes will include, but are not limited to, acts of God, floods, fires, loss of electricity or other utilities, or delays by the other party in providing required resources or support.

8.12 Notices. All notices among the parties shall be delivered in accordance with the provisions of Section 10.10 of the Purchase Agreement.

[Remainder of page intentionally left blank; signature page follows]

The parties are signing this Agreement on the date stated in the introductory clause.

HEARST STATIONS INC.

By: \_\_\_\_\_  
Name:  
Title:

KITV, INC.

By: \_\_\_\_\_  
Name:  
Title:

[Signature Page to Transition Services Agreement (KITV)]

## **Schedule A**

### **Services Schedule**

**Engineering Services (Service Fee [REDACTED]):**

- Continuation of downlink services related to MeTV programming which is currently received at Hearst Television station KMBC, Kansas City, MO and is sent via network connection to KITV.
- Continuation of downlink services related to San Francisco Giants programming which is currently received at Hearst Television station KMBC, Kansas City, MO and is sent via network connection to KITV.
- Other Engineering Services:
  - Information technology and support services including support for all network routing, switching, connectivity and security that is segregated from Seller's network. Email support and migration services. ENPS support as needed.
  - As required, general engineering support and access to equipment maintenance agreement not transferred or assigned as reasonably requested by Buyer to maintain equipment in the Station's air and production studio, and maintain the Station's transmitter, STL and microwave equipment, in each case to manufacturer's specifications.
- Graphics Hub Support :
  - Access to and support for all the Graphics services Seller currently provides or contracts for KITV
  - Support migration from Hearst Television centralized graphic HUB to internal KITV graphics operations.
  - Use license for proprietary Hearst Television "Hat Moss" software package

**Traffic and Billing Services (Service Fee [REDACTED]):**

- Migration support from the Hearst Television centralized traffic and billings services to internal KITV traffic and billing operations.  
Migration support generally includes:
  - Advertiser and agency profile administration
  - Log reconciliation
  - Program scheduling
  - National commercial copy continuity



- Invoicing
- Sales reporting
- Cooperation with transition of historical station revenue and traffic data from Seller's traffic database to the Buyer's traffic database

Digital Services (Service Fee - [REDACTED]):

Access to and support for all digital media services Seller currently provides or contracts for KITV:

- Digital media services shall include, but not limited to:
  - Hosting, delivery and support for station branded and associated web, mobile web and mobile application products. Station website hosting and support services, primary and/or third party, required to maintain station branded and associated digital products, such as, but not limited to: content management systems, ad servers, video transcoding/streaming/delivery, social management tools, analytics, storage and related infrastructure.
  - Support for migrations of above products to platform(s) and provider(s) of Buyer's choosing.

Financial Services (Service Fee - [REDACTED]):

- Run-off accounts receivable, accounts payable and treasury coordination services

Benefit Plans Services (Service Fee - [REDACTED]):

- Seller shall keep the Transferred Employees on Seller's health care insurance plans (the "Plan") after the Closing through the last day of the calendar month in which the Closing occurs. Buyer will reimburse Seller for all (i) premiums incurred and paid by Seller to third parties with respect to the Transferred Employees under the Plan, and (ii) healthcare brokerage fees incurred by Seller related to the Plan with respect to the Stations, in each case for the period beginning on the Closing Date and ending on (and including) the last day of the calendar month in which the Closing occurs.

Seller Group Contracts Services (Service Fee - [REDACTED]):

- Services pursuant to the certain Seller Group Contracts to be identified by Buyer until said services can be replace with standalone or Buyer Group Contracts.