

QUINCY NEWSPAPERS, INC.

July 27, 2015

Mr. Louis Wall
SagamoreHill of Indiana, LLC
SagamoreHill of Indiana Licenses, LLC
525 Blackburn Drive
Augusta, GA 30907

Dear Mr. Wall:

1. Reference is hereby made to: (a) the Asset Purchase Agreement, dated as of July 27, 2015, and attached hereto as Exhibit A (the "SagamoreHill Purchase Agreement"), by and between Granite Broadcasting Corporation and certain of its subsidiaries listed therein ("Seller") and SagamoreHill of Indiana, LLC ("SHBI") and SagamoreHill of Indiana Licenses, LLC ("SHBIL" and together with SHBI, "SagamoreHill") and certain of SagamoreHill's affiliated entities listed therein; (b) the Shared Services Agreement dated as of the date hereof (the "Shared Services Agreement") by and between Quincy Newspapers, Inc. ("Quincy") and SagamoreHill; and (c) the Asset Purchase Agreement, dated as of July 27, 2015, by and between Granite Broadcasting Corporation and certain of its subsidiaries listed therein, pursuant to which Quincy will acquire, among other assets, assets related to television broadcast station WPTA, Fort Wayne, IN (the "Quincy Purchase Agreement").

2. Concurrently with the execution and delivery of this Letter Agreement and pursuant to the terms and subject to the conditions of the SagamoreHill Purchase Agreement, SagamoreHill will acquire from Seller certain assets relating to the ownership and operation of television broadcast station WISE-TV, Fort Wayne, IN (the "Station"), including certain material FCC-related and operating assets relating to the Station and set forth on Schedule 1 hereto, and the assumption of those certain liabilities corresponding thereto (the "Fort Wayne Purchased Assets"). SHBI will acquire all Fort Wayne Purchased Assets other than the FCC licenses, and SHBIL will be the assignee of the FCC Licenses listed on Schedule 1 hereto. The initial purchase price with respect to the Fort Wayne Purchased Assets to be acquired by SagamoreHill is set forth in the SagamoreHill Purchase Agreement, which purchase price may be adjusted prior to the closing date of the transactions contemplated by the SagamoreHill Purchase Agreement (the "Purchase Price"). For purpose of clarity and avoidance of doubt, the Purchase Price projected as of the date hereof and assuming an October 1, 2015, closing date would be \$600,000. The Purchase Price shall be payable by SagamoreHill to Seller in cash (by wire transfer of immediately available funds) as set forth in the SagamoreHill Purchase Agreement.

3. Pursuant to the SagamoreHill Purchase Agreement, and subject to the prior consent of the FCC, SagamoreHill will acquire the certain assets relating to the Station, and upon the closing of the transactions contemplated by the SagamoreHill Purchase Agreement relating to the Station (the "SagamoreHill Closing"), SHBIL will be the licensee of the Station.

Contemporaneously with the SagamoreHill Closing, Quincy will consummate the transactions contemplated by the Quincy Purchase Agreement, acquiring certain assets related to WPTA and certain other television stations and becoming the licensee of WPTA (the "Quincy Closing"). Accordingly, each of SagamoreHill and Quincy desire to set forth certain mutual understandings and agreements in connection with the anticipated filing of the FCC applications by each of them and, following and subject to obtaining the necessary FCC consents, implementing the SagamoreHill Closing and the Quincy Closing.

4. SagamoreHill hereby agrees to use its commercially reasonable efforts to cooperate with the other parties to the SagamoreHill Purchase Agreement to complete SHBIL's portion of the application(s) requesting the consent of the Federal Communications Commission (the "FCC") to the assignment of the FCC licenses for the Station ("FCC Licenses") to SHBIL (the "FCC Consent") and, together with the other persons who are required to join in such filings, jointly submit such application(s) to the FCC as contemplated by the SagamoreHill Purchase Agreement. SHBIL will diligently take, or cooperate in taking, all reasonable steps that are necessary, proper or desirable to expedite the preparation and submission of such application(s) for FCC Consent and its prosecution to final order and to obtain any extension of the effectiveness of any FCC Consent which may be required in order to permit the assignment of the FCC Licenses to be consummated pursuant to the SagamoreHill Purchase Agreement and this Letter Agreement. SHBIL will provide Quincy and Seller with a copy of any pleading, order or other document served on SagamoreHill relating to any such application(s). SagamoreHill will not take any action which is intended to or which would reasonably be likely to materially or adversely affect the likelihood of the grant of the FCC Consent or the FCC Consent becoming a final order. Notwithstanding anything to the contrary contained herein, between the date hereof and the Closing, SagamoreHill shall use its commercially reasonable efforts to obtain the FCC Consent. For the avoidance of doubt, the parties hereto understand and agree that, except for the requirement to provide notice to Quincy as described in this Section 4, nothing contained in this Section 4 shall expand, contract, amend, or otherwise alter the rights and obligations of the parties contained in the SagamoreHill Purchase Agreement.

5. SagamoreHill further agrees to cooperate with Seller and Quincy in taking all commercially reasonable actions in connection with obtaining any consents required in connection with the transfer of the Fort Wayne Purchased Assets relating to the Station to SagamoreHill pursuant to the SagamoreHill Purchase Agreement. SagamoreHill agrees to provide Quincy with prompt notification and copies of all notices from Seller, or any other party, provided to SagamoreHill pursuant or relating to the SagamoreHill Purchase Agreement.

6. Quincy agrees to promptly pay or reimburse SagamoreHill, upon invoicing with reasonable documentation, for all of its reasonable costs and out-of-pocket expenses, including filing fees and reasonable attorneys' fees, incurred in connection with (a) SagamoreHill's compliance with its obligations pursuant to this Letter Agreement and (b) the preparation and negotiation of the documents referenced in this Letter Agreement.

7. Each of SagamoreHill and Quincy shall cooperate to ensure that the SagamoreHill Closing and the Quincy Closing occur contemporaneously and that the other is provided with no less than five (5) business days prior written notice of its respective closing.

8. Notwithstanding anything in this Letter Agreement to the contrary, and subject to (y) the terms and conditions of the SagamoreHill Purchase Agreement, and (z) Quincy's compliance and performance with all representations, warranties, covenants and obligations of Quincy hereunder, SagamoreHill agrees to (a) perform its obligations under the SagamoreHill Purchase Agreement, including without limitation its obligation to acquire the Fort Wayne Purchased Assets from Seller and to assume and become responsible to pay, satisfy, perform and discharge as and when due the corresponding Assumed Obligations (as defined in the SagamoreHill Purchase Agreement) relating to the Station from and after the SagamoreHill Closing, (b) pay to Seller the Purchase Price as provided in the SagamoreHill Purchase Agreement, and (c) execute and deliver such bills of sale, assignment and assumption agreements and such other documents or instruments as Quincy and Seller shall reasonably request or deem reasonably necessary to carry out the purposes of this Letter Agreement and the SagamoreHill Purchase Agreement, to the extent not inconsistent with this Letter Agreement or the SagamoreHill Purchase Agreement. The parties acknowledge and agree that SagamoreHill is not assuming any obligations of Quincy under the Quincy Purchase Agreement.

9. [Omitted.]

10. Subject to the terms and conditions of Paragraph 8 above, in connection with the Closing, SagamoreHill shall further cooperate with Quincy and Seller by furnishing additional information, executing and delivering any additional documents and/or instruments, and doing any and all such other things as may be reasonably requested by the Quincy or Seller or either of their counsel to consummate or otherwise implement the transactions contemplated by the SagamoreHill Purchase Agreement relating to the Fort Wayne Purchased Assets and the Station.

11. SagamoreHill shall be solely responsible for obtaining the financing needed to pay the Purchase Price at the SagamoreHill Closing in connection with its acquisition of the Fort Wayne Purchased Assets. For the avoidance of doubt, the parties understand and agree that Quincy shall not guaranty any indebtedness of SagamoreHill in connection with the transaction.

12. From and after the date hereof, Quincy or its successors or assigns shall defend, indemnify and hold harmless SagamoreHill from and against any and all losses, costs, damages, claims, suits, actions, judgments, liabilities and expenses, including reasonable attorneys' fees and expenses ("Damages") incurred by SagamoreHill arising out of or resulting from (a) the performance of SagamoreHill's obligations under the SagamoreHill Purchase Agreement (without limiting the obligations of SagamoreHill pursuant to this Letter Agreement), (b) any act or omission, event or occurrence that was or shall be caused by Quincy, its agents or affiliates (including any predecessor in interest thereto) relating to the SagamoreHill Purchase Agreement or (c) the performance of SagamoreHill's obligations under this Letter Agreement; provided, however, that this Section 12 shall not extend to Damages to the extent arising out of or resulting from a breach by SagamoreHill of its representations, warranties, covenants or agreements in this Letter Agreement or from the gross negligence or willful misconduct of SagamoreHill or any of their employees, agents or affiliates. Any claims for indemnification pursuant to this Section 12 shall be made and conducted in accordance with the procedures set forth on Exhibit B. This Section 12 shall survive any termination of this Letter Agreement.

13. As of the date hereof and as of the SagamoreHill Closing and the Quincy Closing, each party hereto hereby makes the following representations and warranties to the other party hereto:

(a) Such party has the legal right and requisite power and authority to make and enter into this Letter Agreement, in the case of Quincy, the Quincy Purchase Agreement, and, in the case of SagamoreHill, the SagamoreHill Purchase Agreement, and to perform its obligations hereunder and thereunder and to comply with the provisions hereof and thereof. The execution, delivery and performance of this Letter Agreement and the Shared Services Agreement (collectively, the "Transaction Documents") by such party has been duly authorized by all necessary company action on its part. The execution, delivery and performance of this Letter Agreement by such party does not and will not contravene the charter, bylaws or other organizational documents of such party. The Transaction Documents have been duly executed and delivered by such party and constitute the valid and binding obligation of such party enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, moratorium or other similar laws affecting the rights of creditors generally and except that the availability of equitable remedies, including specific performance, is subject to the discretion of the court before which any proceeding therefor may be brought.

(b) The execution, delivery and performance of the Transaction Documents by such party, and the compliance by such party with the provisions hereof and thereof, do not and will not (with or without notice or lapse of time, or both) conflict with, or result in any violation of, or default under, or give rise to any right of termination, cancellation or acceleration of any obligation under any lien or credit agreement, note, bond, mortgage, indenture, lease or other agreement, instrument, permit, concession, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to such party or any of its properties or assets, other than any such conflicts, violations, defaults, or other effects which, individually or in the aggregate, do not and will not prevent, restrict or impede such party's performance of its obligations under and compliance with the provisions of the Transaction Documents and the other documents executed in connection herewith and therewith.

(c) Subject to obtaining the necessary FCC Consent and HSR Clearance (the latter as defined in the SagamoreHill Purchase Agreement and the Quincy Purchase Agreement), no consent, approval, order or authorization of, or registration, declaration or filing with, any governmental or regulatory authority or any other person or entity (other than any of the foregoing which have been obtained and, at the date in question, are then in effect) is required under existing laws as a condition to the execution, delivery or performance of this Letter Agreement by such party.

14. As of the date hereof and as of the SagamoreHill Closing, SagamoreHill hereby makes the following additional representations and warranties to Quincy:

(a) SagamoreHill is legally, financially and otherwise qualified under the Communications Act and the FCC Rules to acquire the Ft. Wayne Licensee Assets from Seller. There is no fact or condition known to SagamoreHill and related to SagamoreHill that would, under the Communications Act and the FCC Rules, disqualify SHBIL as owner and operator of

the Station. Other than proceedings of general applicability, there are no suits, arbitration, administrative charges or other legal proceedings, claims or governmental investigations pending or, to SagamoreHill's knowledge, threatened against SagamoreHill, related to SagamoreHill that would materially adversely affect its qualification to hold an FCC license or its ability to purchase and acquire the Fort Wayne Purchased Assets nor, to SagamoreHill's knowledge, is there any basis related to SagamoreHill for any such suit, arbitration, administrative charge or other legal proceedings, claim or governmental investigation. SagamoreHill has not been operating under or subject to, or in default with respect to, any order, writ, injunction or decree of any court or federal, state, municipal or other governmental department, commission, board, agency or instrumentality which would have an adverse effect on SagamoreHill's ability to enter the Transaction Documents.

(b) Each entity comprising SagamoreHill is a Delaware limited liability company. Wall is the sole member and manager of each entity comprising SagamoreHill. There are no outstanding subscriptions, warrants, options, calls, commitments or other rights to purchase or acquire any equity or debt interests, or any securities convertible into or exchangeable for any equity or debt interests, in either SHBI or SHBIL. Prior to the date hereof, neither SBHI or SHBIL has engaged in any business and does not have any liabilities or obligations, except those liabilities and obligations incurred in connection with its organization, the negotiation, execution, delivery and performance of the Transaction Documents and the transactions contemplated hereby and thereby and incidental expenses incurred in connection therewith.

15. Termination. This Letter Agreement may be terminated as follows:

(a) prior to the SagamoreHill Closing and the Quincy Closing, upon the mutual written agreement of SagamoreHill and Quincy; or

(b) automatically and without further action of the parties upon termination of the Quincy Purchase Agreement for any reason; provided that except as otherwise provided herein, termination of this Letter Agreement shall not relieve any party of any liability for breach or default under this Letter Agreement prior to the date of termination. Notwithstanding anything to the contrary, termination of this Letter Agreement shall not relieve any party of any obligation, including payment obligations, that shall have accrued prior to the date of such termination. In the event that this Letter Agreement shall terminate pursuant to Section 15 hereof, the SSA shall be deemed terminated automatically without further action of the parties.

16. Miscellaneous

(a) Nothing in this Letter Agreement, whether express or implied, shall be construed to give any person or entity, other than the parties hereto, any legal or equitable right, remedy or claim under or in respect of this Letter Agreement.

(b) This Letter Agreement shall be governed by, and construed in accordance with, the laws of the State of Illinois, without regard to the conflicts of law rules of such State.

(c) This Letter Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same

instrument. The delivery of this Letter Agreement by facsimile or other electronic transmission will be deemed to be an original of the Letter Agreement so transmitted.

(d) If one or more provisions of this Letter Agreement are held to be unenforceable under applicable law, portions of such provisions, or such provisions in their entirety, to the extent necessary, shall be severed from this Letter Agreement, and the balance of this Letter Agreement shall be enforceable in accordance with its terms, so long as no party is deprived of the benefits hereunder in any material respect.

(e) The section headings used in this Letter Agreement are for reference purposes only and shall not affect the meaning or interpretation of any term or provision of this Letter Agreement.

(f) Without intending to limit the remedies available to any of the parties hereto, each of the parties hereto acknowledges and agrees that a breach by such party of any provision of this Letter Agreement will cause the other party hereto irreparable injury for which an adequate remedy at law is not available. Therefore, the parties hereto agree that in the event of any such breach each such party shall be entitled to an injunction, restraining order or other form of equitable relief from any court of competent jurisdiction restraining any other party hereto from committing any breach or threatened breach of, or otherwise specifically to enforce, any such provision of this Letter Agreement, and without any requirement of proving actual damages or posting any bond or other security, in addition to any other remedies that such parties may have at law or in equity.

(g) NO PARTY HERETO SHALL BE LIABLE TO ANY OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES).

(h) This Letter Agreement and the exhibits and attachments hereto, the SSA collectively represent the entire understanding and agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements with respect to the subject matter hereof and thereof.

(i) Quincy may, with written notice to SagamoreHill, assign its rights and obligations under this Letter Agreement to an affiliated entity of Quincy.

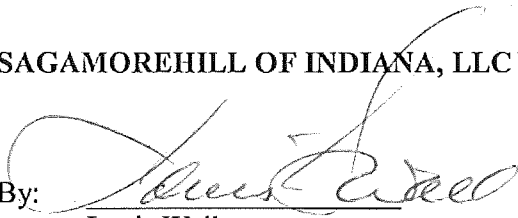
[SIGNATURE PAGE FOLLOWS]

If the foregoing correctly sets forth our understanding, please so indicate by signing below. Upon execution and delivery by all of the undersigned, this Letter Agreement shall become a legal and binding agreement among the parties hereto.

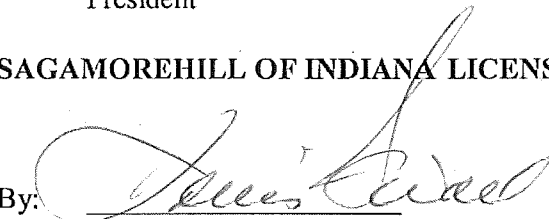
QUINCY NEWSPAPERS, INC.

By: _____
Name: Ralph M. Oakley
Title: President

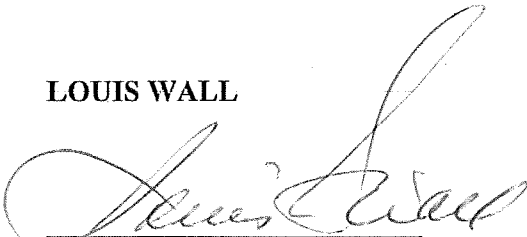
SAGAMOREHILL OF INDIANA, LLC

By: 
Louis Wall
President

SAGAMOREHILL OF INDIANA LICENSES, LLC

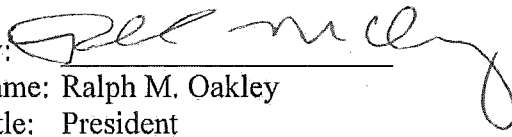
By: 
Louis Wall
President

LOUIS WALL


(In his individual capacity)

If the foregoing correctly sets forth our understanding, please so indicate by signing below. Upon execution and delivery by all of the undersigned, this Letter Agreement shall become a legal and binding agreement among the parties hereto.

QUINCY NEWSPAPERS, INC.

By: 
Name: Ralph M. Oakley
Title: President

SAGAMOREHILL OF INDIANA, LLC

By: _____
Louis Wall
President

SAGAMOREHILL OF INDIANA LICENSES, LLC

By: _____
Louis Wall
President

LOUIS WALL

(In his individual capacity)

Exhibit A
SagamoreHill Purchase Agreement

[See Attached]

Exhibit B
Indemnification Procedures

(a) If SHBI or SHBIL (each an “SagamoreHill Indemnified Party”) asserts a claim for indemnification for, or receives notice of the assertion or commencement of any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding or investigation, other than any brought by an SagamoreHill Indemnified Party (a “Third Party Claim”) as to which the SagamoreHill Indemnified Party intends to seek indemnification under this Letter Agreement, the SagamoreHill Indemnified Party shall give reasonably prompt written notice of such claim to Quincy, together with a statement of any available information regarding such claim. Quincy shall have the right, upon written notice to such SagamoreHill Indemnified Party (the “Defense Notice”) within fifteen (15) days after receipt of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the SagamoreHill Indemnified Party (which notice shall specify the counsel the Quincy will appoint to defend such claim (“Defense Counsel”); provided, however, that the SagamoreHill Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If Quincy delivers a Defense Notice to the SagamoreHill Indemnified Party, the SagamoreHill Indemnified Party will cooperate with and make available to Quincy such assistance and materials as may be reasonably requested by Quincy, all at the expense of Quincy.

(b) If Quincy shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct the defense of the subject Third Party Claim, and in such event the SagamoreHill Indemnified Party shall have the right to conduct such defense in good faith. If the SagamoreHill Indemnified Party defends any Third Party Claim, then Quincy shall reimburse such SagamoreHill Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If Quincy elects to conduct the defense of the subject Third Party Claim, the SagamoreHill Indemnified Party may participate, at its own expense, in the defense of such Third Party Claim; provided, however, that the SagamoreHill Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of Quincy if (i) so requested by Quincy to participate or (ii) in the reasonable opinion of counsel to the SagamoreHill Indemnified Party, a conflict or potential conflict exists between the SagamoreHill Indemnified Party and Quincy that would make such separate representation advisable.

(c) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The SagamoreHill Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of Quincy, which consent shall not be unreasonably withheld or delayed, and, if the SagamoreHill Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the SagamoreHill Indemnified Party will be liable for all Damages paid or incurred in connection therewith and Quincy shall have no obligation to indemnify the SagamoreHill Indemnified Party with respect thereto. Quincy shall not compromise or settle a Third Party Claim without the consent of the SagamoreHill Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such

compromise or settlement includes as a term thereof an unconditional release of the SagamoreHill Indemnified Party and such compromise or release does not impose any non-monetary obligations on the SagamoreHill Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Letter Agreement), in which case the consent of the SagamoreHill Indemnified Party shall not be required.

(d) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the SagamoreHill Indemnified Party and Quincy shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the SagamoreHill Indemnified Party shall deliver to Quincy notice of any sums due and owing by Quincy pursuant to this Letter Agreement with respect to such matter and Quincy shall be required to pay all of the sums so due and owing to the SagamoreHill Indemnified Party by wire transfer of immediately available funds within five (5) business days after the date of such notice.

(e) Any claim by the SagamoreHill Indemnified Party for indemnification other than indemnification against a Third Party Claim (a "Direct Claim") will be asserted by giving Quincy reasonably prompt written notice thereof, and Quincy will have a period of 20 days within which to satisfy such Direct Claim. If Quincy does not so respond within such 20 day period, Quincy will be deemed to have rejected such claim, in which event the SagamoreHill Indemnified Party will be free to pursue such remedies as may be available to the SagamoreHill Indemnified Party under Section 12 of this Letter Agreement.

(f) A failure by an SagamoreHill Indemnified Party to give timely, complete, or accurate notice as provided in this Exhibit B shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(g) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Damages (in which case such proceeds shall reduce such Damages). To the extent any Damages of an SagamoreHill Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the SagamoreHill Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Damages and, if indemnification payments shall have been received prior to the collection of such proceeds, the SagamoreHill Indemnified Party shall remit to Quincy the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Damages. The indemnification obligations hereunder shall survive any termination of this Letter Agreement.

Schedule 1
Fort Wayne Purchased Assets

FCC Licenses
WISE-TV, Ft. Wayne, IN

<u>Call Sign</u>	<u>Licensee</u>	<u>Class of Station</u>	<u>Expiration Date</u>
WISE-TV, Fort Wayne, IN (Facility ID 13960)	WISE-TV License, LLC	DTV (Ch. 18) BRCDT-20130328ABK BLCDT-20091103ACK	August 1, 2021

WISE-TV Fixed Assets

Asset Description	GROSS	ACCUM. DEPRECIATION	Net Book Value
Modify WISED T Xmitter	140,112.95	140,112.95	-
Harris Flexicoder/NetVx xfer frm KBJR	103,094.00	103,094.00	-
DTVBdpass FilterSystemWISED T18	35,780.80	5,844.23	29,936.57
Flexioder Board Xfer	5,031.98	3,893.51	1,138.47
PSIP Decision Mark Mediastar Xfer	4,074.00	3,729.65	344.35
Iconstation/Clips Option/EAS Option	28,050.58	25,379.42	2,671.16
TOTAL	316,144.31	282,053.76	34,090.55