

Exhibit 2.1(c)

Real Property

KULR Studio legal description:

PARCEL A: Lot 5A, of Amended Lots 5 & 6, Block 4, Of The Plat Of Hogan Homestead Subdivision, in Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #1272300.

KULR Old Studio (Transmitters)/Tower legal description:

PARCEL B: That part of the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 12, Township 1 South, Range 26 East, of the Principal Montana Meridian, in Yellowstone County, Montana, described as Tracts 2 and 3, of Certificate Of Survey No. 1267 on file in the office of the Clerk and Recorder of said County, under Document #915054.

PARCEL C: Township 1 South, Range 26 East, of the Principal Montana Meridian, in Yellowstone County, Montana.
Section 12: E $\frac{1}{2}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$

EXCEPTING therefrom Certificate of Survey No. 1302, in Yellowstone County, Montana, according to the official plat on file in the office of the Clerk and Recorder of said County, under Document #928177.

KFBB Studio and tower legal description:

Parcel 1

A tract of land in the NE $\frac{1}{4}$ of Section 36, Township 21 North, Range 3 East, MPM, Cascade County, Montana, described as follows:

Beginning at a point on the West line of a State Highway, which point lies South 14°41' West 1424.3 feet from the NE corner of said Section 36, Township 21 North, Range 3 East; extending thence West 579.3 feet; thence South 398.4 feet; thence East 418.8 feet to the West line of said State Highway; thence North 25°17' East 253.0 feet; thence North 64°43' West 25.0 feet; thence North 25°17' East 175.8 feet; (the last three named courses being on said State Highway West line), to the point of beginning.

Parcel 2

Easement as granted by Deed recorded July 1, 1982 on Reel 151, Document 1531 as follows:

Easement on the following line: Beginning at a point in the NE $\frac{1}{4}$ of Section 36, Township 21 North, Range 3 East, M.P.M., Cascade County, Montana, which point lies South 14°41' West 1424.3 feet, and West 449.7 feet, from the Northeast corner of said Section 36, Township 21 North, Range 3 East, to the true point of beginning of said easement; thence North 30°0' West 241.0 feet.

EXHIBIT 2.1(i)



March 26, 1997

MDM Broadcasting Inc., L.L.C.
and
KULR Corporation, L.L.C.
2045 Overland Avenue
Billings, Montana 59102

Don
Zerfong

RE: KULR-TV (Billings, Montana)

Gentlemen:

The following shall comprise the agreement between us for the affiliation of your television broadcasting station KULR-TV (KULR Corp. and KULR-TV collectively herein called "Station") with the NBC Television Network (herein called "NBC") and shall supersede and replace our prior agreement dated February 1, 1989, except for the most recent amendment with respect to network non-duplication protection under Federal Communications Commission ("FCC") Rules Section 76.92.

1. Term. This Agreement shall be deemed effective as of 3:00 A.M., New York City time as of January 1, 1997 and, unless sooner terminated as provided in this Agreement, it shall remain in effect for a period of ten (10) years thereafter. It shall then be renewed on the same terms and conditions for a further period of five (5) years and for successive further periods of five (5) years each, unless and until either party shall, at least twelve (12) months prior to the expiration of the then current term, give the other party written notice that it does not desire to have this Agreement renewed for a further period.

2. NBC Programming.

(a) NBC shall deliver to Station for free, over-the-air television broadcasting all programming which NBC makes available for broadcasting in the community to which Station is presently licensed by the FCC, except as otherwise expressly provided herein.

(b) NBC commits to supply sufficient programming throughout the term of this Agreement for the hours presently programmed by it (the "Programmed Time Periods"), which Programmed Time Periods are as follows (the specified times are all local time in Station's community of license):

Prime Time: Monday thru Saturday - 7:00-10:00 P.M.
 Sunday - 6:00-10:00 P.M.

Late Night: Monday thru Thursday - 10:35 P.M.-1:05 A.M.
 Friday - 10:35 P.M. - 1:35 A.M.
 Saturday - 10:30 P.M.-12:00 Midnight

News: Monday thru Friday - 6:00-6:30 A.M.,
 7:00-9:00 A.M. and 5:00-5:30 P.M.
 Saturday - 6:00-8:00 A.M. and 4:30-
 5:00 P.M.
 Sunday - 6:00-8:00 A.M., and 4:30-5:00 P.M.

Daytime: Monday thru Friday - 10:00-11:00 A.M. and
 1:00-4:00 P.M.
 Saturday - 8:00 A.M.-10:30 A.M.

The selection, scheduling, substitution and withdrawal of any program or portion thereof delivered to Station during the Programmed Time Periods shall at all times remain within the sole discretion and control of NBC. The parties acknowledge that local and network programming needs may change during the term of this Agreement, and each party agrees throughout the term to negotiate in good faith with the other party any proposed modification of the Programmed Time Periods.

(c) In addition to the programming supplied pursuant to Paragraph 2(b) above, NBC shall offer Station throughout the term of this Agreement a variety of sports, special events and overnight news programming for television broadcast at times other than the Programmed Time Periods. Station shall have the right of first refusal with respect to any such programming good for seventy-two (72) hours as against any other television station located in Station's community of license or any television program transmission service furnishing a television signal to Station's community of license, including, but not limited to, any community antennae television system, subscription television service, multipoint distribution system and satellite transmission service. Station shall notify NBC of its acceptance or rejection of NBC's offer of such programming as promptly as possible. Station's acceptance of NBC's offer shall constitute Station's agreement to broadcast such programming in accordance with the terms of such offer and this Agreement. Notwithstanding any other provision in this Agreement, no pre-existing acceptance of NBC programming shall be superseded or otherwise affected by this Agreement, and those acceptances shall remain in full force and effect. With respect to NBC programs outside the Programmed Time Periods (either offered or already contracted for pursuant to this Agreement), nothing herein contained shall prevent or hinder NBC from (i) substituting one or more sponsored or sustaining programs, in which event NBC shall offer such substituted program or programs to Station in

accordance with the provisions of this Paragraph 2(c), or (ii) canceling one or more such NBC programs; provided, however, that NBC shall exercise all reasonable efforts to give Station at least three (3) weeks prior written notice of such substitution or cancellation. Station shall not be obligated to broadcast, and NBC shall not be obligated to continue to deliver, subsequent to the termination of this Agreement, any programs which NBC may have offered and which Station may have accepted during the term hereof.

3. Station Carriage in Programmed Time Periods.

(a) Station agrees that, subject only to the preemption rights set forth herein, including Station's unqualified right to preempt for Station's coverage of local breaking news events, Station shall broadcast over Station's facilities all NBC programming supplied to Station for broadcast in the Programmed Time Periods on the dates and at the times the programs are scheduled by NBC, except to the extent that Station is actually broadcasting programming pursuant to (and within the specified limits of) a commitment contemplated by Paragraph 3(b) below. As used herein, the "coverage of breaking news events" with respect to Station's preemption rights shall in no event refer to the addition of scheduled local news programs as part of Station's regular continuing program schedule.

(b) As an inducement for NBC to enter into this Agreement, Station covenants, represents and warrants to NBC that during any Broadcast Year (as hereinafter defined) during the term hereof, Station shall preempt no more than ten (10) hours in the aggregate of NBC programs during the Prime Time Programmed Time Period for any reason other than for the live coverage of news events; provided, however, that in the event that Station enters into an agreement to broadcast local college, high school or professional sports games or events, Station shall be permitted to preempt up to an additional ten (10) hours of NBC programs each Broadcast Year during the Prime Time Programmed Time Period for the broadcast of such games (the "Prime Time Preemption Amount"). For the purposes of this Agreement, a "Broadcast Year" shall mean a twelve (12) month period during the term hereof which commences on any September 1 during the term hereof and which ends on August 31 of the immediately following year. Station hereby confirms that its rights and obligations under this Paragraph 3(b) are consistent with the provisions of Paragraph 4(c) below.

(c) The Station hereby agrees to accept and clear all sports programming offered to the Station by NBC outside the Programmed Time Periods ("NBC Sports Programming"), except for NBC sports programming which directly conflicts with Station's coverage of sports events and special events of particular local interest (collectively, such coverage of such sports events and special events are referred to below as "Special Programs").

Station agrees not to broadcast more than twelve (12) hours of Special Programs outside the Programmed Time Periods in the aggregate during any Broadcast Year during the term of this Agreement which would conflict with NBC Sports Programming outside the Programmed Time Periods; provided, however, that in the event that Station enters into an agreement to broadcast local college, high school or professional sports games or events during any broadcast year, Station shall be permitted to broadcast up to an additional ten (10) hours of Special Programs each Broadcast Year outside the Programmed Time Periods for the broadcast of such games (the "Sports Preemption Amount").

(d) Notwithstanding the foregoing provisions of subparagraphs (b) and (c) above and without limiting the provisions thereof, Station agrees that in any one (1) month period during a Broadcast Year, Station's preemptions of NBC Prime Time programs and NBC Sports Programming shall not exceed 20% of, respectively, the Prime Time Preemption Amount and the Sports Preemption Amount, unless otherwise consistent with Station's programming practice. In addition, Station agrees that in no event shall Station preempt NBC programming for any programming offered or syndicated by any other broadcast television network; provided that such agreement by Station shall only be deemed in effect to the extent consistent with applicable law.

4. Preemptions.

(a) In the event that Station, for any reason, fails to broadcast or advises NBC that it will not broadcast any NBC programming as provided herein, then, in each case, Station, upon notice from NBC to Station, shall broadcast such omitted programming and the commercial announcements contained therein (or any replacement programming and the commercial announcements contained therein) during a time period or periods which the parties shall promptly and mutually agree upon and which shall, to the extent possible, be of a quality and rating value comparable to that of the time period or periods at which such omitted programming was not broadcast as provided herein. In the event that the parties do not promptly agree upon a time period or periods as provided in the preceding sentence, then, without limitation to any other rights of NBC under this Agreement or otherwise, NBC shall have the right to license the broadcast rights to the applicable omitted programming (or replacement programming) to another television station located in Station's community of license.

(b) In the event that Station preempts or fails to clear or broadcast any NBC programming as provided herein for any reason other than: (i) the coverage of local breaking news events, (ii) as permitted by Paragraphs 3(b), 3(c) or 3(d) above, (iii) force majeure as provided for in Paragraph 11 below, or (iv) because: (A) the programming is delivered in a form which

does not meet accepted standards of good engineering practice; (B) the programming does not comply with the rules and regulations of the FCC; or (C) Station reasonably believes that such programming would not meet prevailing contemporary standards of good taste in its community of license, then, without limiting any other rights of NBC under this Agreement or otherwise, upon NBC's request, Station shall pay NBC, or NBC may deduct or offset from any amounts payable to Station hereunder or under any other agreement between Station and NBC (or an entity controlling, controlled by or under common control with NBC), an amount equivalent to NBC's loss in net advertising revenues attributable to the failure of Station to broadcast such program in Station's market as scheduled by NBC, which amount shall be calculated in accordance with Exhibit A hereto. Without limiting or affecting any other determination of a material breach hereunder, any failure by Station to pay any amount due under this Paragraph 4(b) shall be deemed a material breach of this Agreement. In the event of Station's material breach of this Agreement, without limiting any other of NBC's rights of NBC under this Agreement or otherwise, NBC shall have the option, exercisable in its sole discretion upon thirty (30) days' written notice to Station, to either (x) terminate Station's right to broadcast any one or more series or other NBC programs, as NBC shall elect, and, to the extent and for the period(s) that NBC elects, thereafter license the broadcast rights to such series or other NBC program(s) to any other television station or stations located in Station's community of license or (y) unless the breach is cured within such thirty (30) day period, terminate this Agreement. Station acknowledges that NBC programming previously broadcast by Station has been consistent with the standards set forth in the foregoing clause (C); Station also agrees that Station's reasonable belief that an NBC program does not meet such standards will be based on a substantial difference in such program's style and content from NBC programs previously broadcast by Station, unless the relevant standards in the Station's community of license have changed.

(c) With respect to programs offered or already contracted for pursuant to this Agreement, nothing herein contained shall be construed to prevent or hinder Station from: (i) rejecting or refusing any NBC program which Station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest, or (ii) substituting a program which, in Station's opinion, is of greater local or national importance; provided, however, that Station shall give NBC written notice of each such rejection, refusal or substitution, and the reason therefor, at least three (3) weeks in advance of the scheduled broadcast, or as soon thereafter as possible (including an explanation of the cause for any lesser notice). Station confirms that its determination that a substitute program is of greater local or national importance shall be based on Station's reasonable good faith judgment.

5. Station Compensation. In further consideration of Station's performance of its obligations under this Agreement NBC shall compensate Station as follows:

(a) (i) NBC shall pay Station for Station's broadcast of each network sponsored program or portion thereof (except those specified in Paragraph 5(b) below) which is broadcast during the Live Time Period therefor the amount resulting from multiplying the following:

- (A) Station's Network Station Rate, which is ;
provided that effective as of Station's utilization of NBC's KU-Band satellite delivery system, such rate shall increase to during the remaining term of this Agreement to the extent that Station continues to utilize such system; by
- (B) The percentage set forth in the compensation matrix table attached hereto as Exhibit B (the "Compensation Table") opposite the applicable time period; by
- (C) The fraction of an hour substantially occupied by such program or portion thereof; by
- (D) The fraction of the aggregate length of all Commercial Availabilities during such program or portion thereof occupied by Network Commercial Announcements.

As used herein, "Live Time Period" shall mean the time period or periods as specified by NBC for the broadcast of a program by Station; "Commercial Availability" shall mean a period of time made available by NBC during a network sponsored program for one or more Network Commercial Announcements; and "Network Commercial Announcement" shall mean a commercial announcement broadcast over Station during a Commercial Availability and paid for by or on behalf of one or more of NBC's network advertisers, not including, however, announcements consisting of billboards, credits, public service announcements, promotional announcements and announcements required by law.

(ii) For each network sponsored program or portion thereof (except those specified in Paragraph 5(b) below) which is broadcast by Station during a time period other than the Live Time Period therefor, NBC reserves the right, in its sole discretion, to withhold payment of compensation for such program. If NBC does not withhold payment of compensation for such program, NBC shall pay Station as if Station had broadcast the program or portion thereof during such Live Time Period, except that if the percentage set forth in the Compensation Table opposite the time period

during which Station broadcasts the program or portion thereof is less than that set forth opposite such Live Time Period, NBC shall pay Station on the basis of the time period during which Station broadcasts the program or portion thereof.

(b) NBC shall pay Station such amounts as NBC and Station shall agree upon for all network sponsored programs broadcast by Station consisting of:

(i) Sports programs;

(ii) Special events programs, and

(iii) Programs for which NBC specifies a Live Time Period which straddles any of the time period categories in the Compensation Table.

(c) (i) On or about the fifteenth day of the last month of each calendar quarter during the term hereof, subject to the timely receipt of reports requested under Paragraph 9 below, NBC shall pay Station, by electronic transfer or such other means as NBC shall determine, an estimate of the amounts due hereunder for such calendar quarter. NBC shall make the appropriate adjustment for the payment actually due for such calendar quarter in the payment of the estimated amount due for the next calendar quarter. NBC shall calculate the amounts due hereunder on a weekly basis and shall report such amounts to Station within a reasonable period of time after the close of each month during the term.

(ii) From the amounts otherwise payable to Station hereunder, NBC shall deduct for each week during each calendar quarter of the term hereof a sum equal to 20% of Station's Network Station Rate provided in subparagraph 5(a)(i)(A) above (the "Waiver Percentage"); provided, however, that effective as of the increase of Station's Network Station Rate to , Station's Waiver Percentage shall be increased to 217%. This deduction shall be calculated on a weekly basis, with 4.2857 as the agreed number of weeks per month, and shall be reported to Station with the reports due under subparagraph 5(c)(i) above. NBC shall make other deductions from the amounts otherwise payable to Station hereunder for additional services made available by NBC and utilized by Station such as, but not limited to, NBC News Channel.

(d) (i) Subject to the limitations set forth below, NBC reserves the right as part of a general rate revision to reevaluate and change at any time: (A) the percentages set forth in the Compensation Table, or (B) the Waiver Percentage set forth in subparagraph 5(c)(ii) above, by

giving written notice to Station at least thirty (30) days prior to the effective date of such change. Notwithstanding the foregoing, NBC agrees that:

(X) the Compensation Table attached hereto as Exhibit B shall be modified during the term of this Agreement only as mutually agreed to by NBC and Station or as may be recommended by the NBC Affiliate Board; and

(Y) NBC may increase the Waiver Percentage only by reason of an increase in NBC's technical costs of delivering programming to the NBC Television Network; provided that any such increase in the Waiver Percentage shall be subject to review by the NBC Affiliate Board.

(ii) Notwithstanding anything contained in subparagraph 5(d)(i) to the contrary, the parties acknowledge that the payment of compensation to Station hereunder is in consideration of certain commitments by Station, including commitments regarding Station's local news program schedule and promotion of NBC programming as respectively set forth in Exhibits C and D attached hereto, which Exhibits are incorporated herein by this reference. In the event that Station (A) materially reduces its local news program schedule as set forth in Exhibit C or (B) does not fulfill such commitments as are set forth in Exhibit D in all years during the term of this Agreement, NBC reserves the right to decrease Station's Network Station Rate by notifying Station in writing at least ninety (90) days prior to the effective date of such change.

6. Local Commercial Announcements. Subject to the following sentence, NBC agrees that during each quarter during the term of this Agreement, the average weekly number of minutes available for Station's local commercial announcements in and adjacent to regularly scheduled NBC programming in each daypart (with pro-rated adjustments for national sports programming, special news coverage or other special events) shall not be less than ninety-five percent (95%) of the average weekly number of minutes for the applicable daypart during the 1993-94 Broadcast Year as set forth in Exhibit E attached hereto (except if the reduction is due to a change in applicable government regulations). In the event of a reduction in the average weekly number of minutes available for Station's local commercial announcements in and adjacent to regularly scheduled NBC programming which causes NBC not to be in compliance with the foregoing provision, NBC agrees to offset the effects of such reduction by providing Station with a comparable economic benefit, which benefit may take the form of local coverage of NBC promotional announcements, an increase in the amount of Station's preemptions permitted under Paragraphs 3(b), 3(c) or 3(d) hereof, or other form of benefit. The foregoing provisions of this

Paragraph 6 are not intended to facilitate any disproportionate change by NBC in the allocation of the number of minutes available for Station's local commercial announcements in and adjacent to regularly scheduled NBC programming among different time periods in any daypart, if such change is solely for NBC's economic benefit.

7. Delivery. NBC shall transmit the programming hereunder by satellite and shall notify Station as to both the satellite and transponder being used for such transmission, and the programming shall be deemed delivered to Station when transmitted to the satellite. Where, in the opinion of NBC, it is impractical or undesirable to furnish a program over satellite facilities, NBC may deliver the program to Station in any other manner, including but not limited to, in the form of motion picture film, video tape or other recorded version, postage prepaid, in sufficient time for Station to broadcast the program at the time scheduled. Such recordings shall be used only for a single television broadcast over Station, and Station shall comply with all NBC instructions concerning the disposition to be made of each such recording received by Station hereunder.

8. Conditions of Station's Broadcast. Station's broadcast of NBC programming shall be subject to the following terms and conditions:

(a) Station shall not make any deletions from, or additions or modifications to, any NBC program furnished to Station hereunder or any commercial, NBC identification, program promotional or production credit announcements or other interstitial material contained therein, nor broadcast any commercial or other announcements (except emergency bulletins) during any such program, without NBC's prior written authorization. Station may, however, delete announcements promoting any NBC program which is not to be broadcast by Station, provided that such deletion shall be permitted only in the event and to the extent that Station substitutes for any such deleted promotional announcements other announcements promoting NBC programs to be broadcast by Station.

(b) For purposes of identification of Station with the NBC programs, and until written notice to the contrary is given by NBC, Station may superimpose on various Entertainment programs, where designated by NBC, a single line of type, not to exceed fifty (50) video lines in height and situated in the lower eighth raster of the video screen, which single line shall include (and be limited to) Station's call letters, community of license or home market, channel number, and the NBC logo. No other addition to any Entertainment program is contemplated by this consent, and the authorization contained herein specifically excludes and prohibits any addition whatsoever to News and Sports programs, except identification of Station as provided in the preceding sentence as required by the FCC.

(c) The placement and duration of station-break periods provided for locally originated announcements between NBC programs or segments thereof shall be designated by NBC. Station shall broadcast each NBC program delivered to Station hereunder from the commencement of network origination until the commencement of the terminal station break.

(d) In the event of the confirmation by NBC of any violation by Station of any of the provisions of this Paragraph 8, NBC may, in its reasonable discretion, withhold an amount of compensation otherwise due Station under Paragraph 5 above which is appropriate in view of the nature of the specific violation, it being understood that the amount withheld for any violation shall not exceed the total compensation due Station for the week in which such violation occurs. Nothing contained in this Paragraph 8(d) shall limit the rights of Station under Paragraph 4(c) above.

9. Station Reports. Station shall submit to NBC in writing, upon forms provided by NBC, such reports as NBC may request covering the broadcast by Station of programs furnished to Station hereunder.

10. Music Performance Rights. All programs delivered to Station pursuant to this Agreement shall be furnished with all music performance rights necessary for broadcast by Station included. Station shall have no responsibility for obtaining such rights from ASCAP, BMI or other music licensing societies insofar as the programs delivered by NBC to Station for broadcasting are concerned. As used in this paragraph, "programs" shall include, but shall not be limited to, program and promotional material and commercial and public service announcements furnished by NBC. Station shall be responsible for all music license requirements for any commercial and public service announcements or other material inserted by Station within or adjacent to the programs as permitted under the terms of this Agreement, except for cut-ins produced by or on behalf of NBC and inserted by Station at NBC's direction.

11. Force Majeure. Neither Station nor NBC shall incur any liability hereunder because of NBC's failure to deliver, or the failure of Station to broadcast, any or all programs due to failure of facilities, labor disputes, government regulations or causes beyond the reasonable control of the party so failing to deliver or to broadcast. Without limiting the generality of the foregoing, NBC's failure to deliver a program for any of the following reasons shall be deemed to be for causes beyond NBC's reasonable control: cancellation of a program because of the death, illness or refusal to appear or perform of a star or principal performer thereon, or because of such person's failure to conduct himself or herself with due regard to social conventions and public morals and decency, or because of such person's commission of any act or involvement in any situation or

occurrence tending to degrade him or her in society, or bringing him or her into public disrepute, contempt, scandal or ridicule, or tending to shock, insult or offend the community, or tending to reflect unfavorably upon NBC or the program sponsor.

12. Indemnification. NBC shall indemnify, defend and hold Station, its parent, subsidiary and affiliated companies, and their respective directors, officers and employees, harmless from and against all claims, damages, liabilities, costs and expenses (including reasonable attorneys' fees) arising out of the use by Station, in accordance with this Agreement, of any program or other material as furnished by NBC hereunder, provided that Station promptly notifies NBC of any claim or litigation to which this indemnity shall apply, and that Station cooperates fully with NBC in the defense or settlement of such claim or litigation. Similarly, Station shall indemnify, defend and hold NBC, its parent, subsidiary and affiliated companies, and their respective directors, officers and employees, harmless with respect to material added to or deleted from any program by Station, except for cut-ins produced by or on behalf of NBC and inserted by Station at NBC's direction. These indemnities shall not apply to litigation expenses, including attorneys' fees, which the indemnified party elects to incur on its own behalf. Except as otherwise provided herein, neither Station nor NBC shall have any rights against the other for claims by third persons, or for the non-operation of facilities or the non-furnishing of programs for broadcasting, if such non-operation or non-furnishing is due to failure of equipment, actions or claims by any third person, labor disputes, or any cause beyond such party's reasonable control.

13. Station's Right of First Negotiation. Throughout the term of this Agreement, NBC shall give Station prompt notice of any determination by NBC to engage in new over-the-air broadcast ventures within Station's community of license (whether or not involving the transmission of television programs, but excluding any acquisition of an ownership interest in any broadcast television station) (a "Broadcast Venture"). NBC shall negotiate exclusively with Station in good faith, for a period of time following such notice to Station as shall be determined by NBC to be appropriate to the circumstances and as shall be specified in such notice, with respect to Station's participation on a financial and/or operational basis in any such Broadcast Venture within Station's community of license before NBC may enter into any such negotiations with a Third Party (as defined below) within such community of license. "Third Party" shall mean any person or entity other than an NBC Party; "NBC Party" shall mean any of NBC, National Broadcasting Company, Inc. or their respective parent, subsidiary, affiliated, related or successor entities.

14. Change in Operations. Station represents and warrants that it holds a valid license granted by the FCC to operate the

Station as a television broadcast station; such representation and warranty shall constitute a continuing representation and warranty by Station. In the event that Station's transmitter location, power, frequency, programming format or hours of operation are materially changed at any time so that Station is of less value to NBC as a broadcaster of NBC programming than at the date of this Agreement, then NBC shall have the right to terminate this Agreement upon thirty (30) days prior written notice to Station; provided, however, that NBC shall not have right to terminate this Agreement solely by reason of Station's reduction of its hours of operation so long as Station broadcasts, at a minimum, during the hours of 5:00 A.M. through the following 2:00 A.M. (i.e. on next day) seven days per week; provided further that Station agrees that in the event that Station does broadcast on a twenty-four (24) hour per day basis, Station will broadcast a minimum of ninety (90) minutes per day of "NBC Nightside" programming (or replacement programming). Reference is made to the Letter Agreement attached hereto as Exhibit F and the Translators (as defined therein) which are required to retransmit NBC programming pursuant to the terms thereof. In the event that the aggregate geographical coverage area of the Translators retransmitting NBC programming pursuant to such Exhibit F is materially reduced, NBC shall have the right to reduce Station's Network Station Rate (without regard to the provisions of Paragraph 5(d) above) as appropriate to reflect Station's reduced coverage area (i.e. on a combined basis with such translator stations).

15. Assignment.

(a) This Agreement shall not be assigned without the prior written consent of NBC, and any permitted assignment shall not relieve Station of its obligations hereunder. Any purported assignment by Station without such consent shall be null and void and not enforceable against NBC.

(b) Station agrees to include as a condition of any proposed assignment, sale or transfer of direct or indirect ownership or control of Station (including, without limitation, any assignment or transfer referred to in Paragraph 15(c) below other than a "short-form" assignment) a contractually binding provision that the assignee or transferee shall assume and become bound by this Agreement for (i) the remainder of the then-current term of this Agreement or (ii) three (3) years from the date of said assignment, sale or transfer, whichever period is greater. Station acknowledges that any such assignment, sale or transfer which does not so provide for such assumption and for NBC's right to extend the term of this Agreement will cause NBC irreparable injury for which damages are not an adequate remedy. Therefore, Station agrees that NBC shall be entitled to seek an injunction or similar relief from any court of competent jurisdiction restraining Station from committing any violation of this Paragraph 15(b).

(c) Station agrees that if any application is made to the FCC pertaining to an assignment or a transfer of control of Station's license, or any interest therein, Station shall immediately notify NBC in writing of the filing of such application. Except as to "short form" assignments or transfers of control made pursuant to Section 73.3540(f) of the current FCC Rules, NBC shall have the right to terminate this Agreement in the event of any assignment or transfer. Station agrees that promptly following Station's notice to NBC, Station (i) except in the case of "short form" assignments or transfers of control, shall arrange for a meeting between NBC and the proposed assignee or transferee to review the financial and operating plans of the proposed assignee or transferee, and (ii) shall procure and deliver to NBC, in form satisfactory to NBC, the agreement of the proposed assignee or transferee that, upon consummation of the assignment or transfer of control of the Station's license, the assignee or transferee will assume and perform this Agreement in its entirety without limitation of any kind. If Station complies with its obligations set forth in the preceding sentence and NBC does not terminate this Agreement upon written notice to Station within the thirty (30) day period following the later of the meeting with the proposed assignee or transferee or the delivery to NBC of a satisfactory assumption agreement, NBC shall be deemed to have consented to the assignment or transfer of control.

(d) NBC agrees that in the event of a sale or transfer of all or substantially all of the assets or business of NBC (whether structured as a sale or transfer of equity or assets of NBC), NBC agrees to assign this Agreement to the purchaser or transferee and to cause such purchaser or transferee to assume NBC's obligations hereunder; provided that the foregoing agreement shall not apply in the event that this Agreement becomes an obligation of such purchaser or transferee by operation of law. Upon such assignment and assumption, NBC shall have no liability to Station under this Agreement with respect to obligations arising after the effective date of such assignment and assumption.

16. Unauthorized Copying and Transmission. Except for the rebroadcasting of Station's signal by television translator stations authorized to rebroadcast such signal as set forth in the agreement attached hereto as Exhibit F, Station shall not authorize, cause, or permit, without NBC's consent, any program or other material furnished to Station hereunder to be recorded, duplicated, rebroadcast or otherwise transmitted or used for any purpose other than broadcasting by Station as provided herein. Notwithstanding the foregoing, Station shall not be restricted in the exercise of its signal carriage rights pursuant to any applicable rule or regulation of the FCC with respect to retransmission of its broadcast signal by any cable system or multichannel video program distributor ("MVPD"), as defined in Section 76.64(d) of the FCC Rules, which (a) is located within

the Area of Dominant Influence ("ADI"), as defined by Arbitron, in which Station is located, or (b) was actually carrying Station's signal as of April 1, 1993, or (c) with respect to cable systems, serving an area in which Station is "significantly viewed" (as determined by the FCC) as of April 1, 1993; provided, however, that any such exercise pursuant to FCC Rules with respect to NBC programs shall not be deemed to constitute a license by NBC; and provided, further, that at such time as NBC adopts a term in substitution for the term "ADI" by reason of any similar action by the FCC or other appropriate authority, such substitute term shall replace the references to "ADI" herein. NBC reserves the right to restrict such signal carriage with respect to NBC programming in the event of a change in applicable law, rule or regulation.

17. Limitations on Retransmission Consent. In consideration of the grant by NBC to Station of the non-duplication protection provided in the most recent amendment to this Agreement, Station hereby agrees as follows:

(a) Station shall not grant consent to the retransmission of its broadcast signal by any cable television system, or, except as provided in Paragraph 17(b) below, to any other MVPD whose carriage of broadcast signals requires retransmission consent, if such cable system or MVPD is located outside the ADI to which Station is assigned, unless Station's signal was actually carried by such cable system or MVPD as of April 1, 1993, or, with respect to such cable system, is "significantly viewed" (as determined by the FCC) as of April 1, 1993; provided, however, that at each renewal of this Agreement, in the event Station can demonstrate to NBC that it is "significantly viewed" (as determined by the FCC) in areas in addition to those in which it was "significantly viewed" as of April 1, 1993 ("Additional Viewing Areas"), NBC agrees that it will negotiate in good faith with Station regarding a possible extension of Station's grant of the right to retransmit its broadcast signal to cable systems in the Additional Viewing Areas.

(b) Station shall not grant consent to the retransmission of its broadcast signal by any MVPD that provides such signal to any home satellite dish user, unless such user is located within Station's own ADI or is an "unserved household" as defined in Section 119(d) or any successor provision of Title 17 of the United States Code; provided that Station shall be permitted to continue authorizing retransmission of its signal by home satellite dish user currently receiving Station's signal within Station's "Total Survey Area".

18. Remedies for Unauthorized Copying and Transmission. If Station violates any of the provisions set forth in Paragraphs 16 and 17 above, NBC may, in addition to any other of its rights or remedies at law or in equity under this Agreement or any

amendment thereto, terminate this Agreement by written notice to Station given at least ninety (90) days prior to the effective date of such termination.

19. "Branding" Plan. NBC agrees to work with the Station to "brand" the Station as an "NBC Station" in the Station's market through cooperative efforts in areas such as on-air promotion, unified graphic design, use of the NBC peacock logo and NBC identification. In connection with such efforts, NBC will make available to the Station the expertise of the NBC Advertising and Promotion department and appropriate access to NBC research. The Station agrees to be branded as an "NBC Station" and to participate in the foregoing branding promotion plan during the term hereof. The parties agree that the purpose of the branding effort is to cause the Station to be identified, in the perception of television viewers, as an "NBC Station" similar to such viewers' perception of National Broadcasting Company, Inc.'s owned and operated stations as "NBC Stations." NBC and Station agree to consult with each other, promptly after execution hereof, with respect to implementation of such branding undertaking.

20. ATV Conversion. Station acknowledges that its obligations hereunder shall extend to any additional spectrum allocated to Station or any of its affiliated entities and utilized for advanced or high definition television transmissions on a simulcast basis with Station's current NTSC channel. Without limiting the generality of any other provision hereof, in the event that Station or any of its affiliated entities transmits an advanced/high definition television ("ATV") signal in Station's community of license, Station agrees that, to the extent that NBC provides an ATV feed containing NBC programming otherwise provided to Station hereunder, Station shall transmit or cause the transmission of NBC programming contained in such ATV feed in a manner consistent with Station's clearance obligations hereunder; provided that nothing contained herein shall require Station to broadcast any NBC ATV feed until such time as Station has the technical capability to broadcast such a signal. It is the parties intention that such NBC programming contained in such feed shall be transmitted on the ATV channel allocated to Station (or an affiliated entity) on a "paired" basis with Station's current NTSC channel; notwithstanding the foregoing, Station agrees that, in any event, NBC programming in an ATV feed shall be transmitted on the ATV channel which transmits the preponderance of Station's locally produced programming (including news) and syndicated programming that is transmitted on Station's NTSC channel and is also available in an ATV format. To the extent that Station is not transmitting an ATV signal, NBC shall be permitted to offer NBC programming in an ATV format to any licensee transmitting an ATV signal in Station's community of license without complying with the provisions of Paragraphs 2(b), 2(c) or 13 hereof; provided that NBC agrees that the term of any such license shall not exceed

twelve (12) months; provided further that NBC shall be entitled to renew any such agreement for additional twelve (12) month period(s) if Station continues not to transmit an ATV signal. The foregoing commitments are conditioned upon the promulgation of FCC regulations authorizing ATV transmissions (the "ATV Rules") which are not inconsistent with such commitments as they relate to ATV transmission; in the event that the foregoing commitments are prohibited by or are otherwise inconsistent with the ATV Rules, the parties agree to negotiate in good faith as to mutually acceptable substitute or modified provisions which provide for the ATV transmission of NBC programming within Station's community of license.

21. Applicable Law. The obligations of Station and NBC under this Agreement are subject to all applicable federal, state, and local laws, rules and regulations (including, but not limited to, the Communications Act of 1934, as amended, and the rules and regulations of the FCC), and this Agreement and all matters or issues collateral thereto shall be governed by the law of the State of New York applicable to contracts negotiated, executed and performed entirely therein (without regard to principles of conflicts of laws).

22. Waiver. A waiver by either of the parties hereto of a breach of any provision of this Agreement shall not be deemed to constitute a waiver of any preceding or subsequent breach of the same provision or any other provision hereof.

23. Notices. Any notices hereunder shall be in writing and shall be given by personal delivery, overnight courier service, or registered or certified mail, addressed to the respective addresses set forth on the first page of this Agreement or at such other address or addresses as may be specified in writing by the party to whom the notice is given. Such notices shall be deemed given when personally delivered, delivered to an overnight courier service or mailed, except that notice of change of address shall be effective only from the date of its receipt.

24. Captions. The captions of the paragraphs in this Agreement are for convenience only and shall not in any way affect the interpretation hereof.

25. Entire Agreement. The foregoing constitutes the entire agreement between Station and NBC with respect to the subject matter hereof, all prior understandings being merged herein, except for the most recent amendment with respect to network non-duplication protection under FCC Rules Section 76.92. This Agreement may not be changed, modified, renewed, extended or discharged, except as specifically provided herein or by an agreement in writing signed by the parties hereto.

26. Confidentiality. The parties agree to use their best efforts to preserve the confidentiality of this Agreement and of

the terms and conditions set forth herein, and the exhibits annexed hereto, to the fullest extent permissible by law. The parties recognize that Section 73.3613 of the FCC's Rules and Regulations requires the filing with the FCC of television network affiliation agreements by each affiliate, but are unaware of any requirement for the filing of exhibits annexed to such affiliation agreements. In the event that the FCC should request either party to file said exhibits, that party shall give prompt notice to the other, and shall submit said exhibits to the FCC with a request that said exhibits be withheld from public inspection pursuant to Section 0.459 of the FCC's Rules and Regulations on the grounds that said exhibits contain confidential commercial or financial information that would customarily be guarded from competitors and not be released to the public.

27. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature to each such counterpart were upon the same instrument.

If the foregoing is in accordance with your understanding, please indicate your acceptance on the copy of this Agreement enclosed for that purpose and return that copy to NBC.

Very truly yours,

NATIONAL BROADCASTING COMPANY, INC.

By: 

AGREED:

KULR CORPORATION, L.L.C.

By: 

MDM BROADCASTING INC., L.L.C.

By: 



March 26, 1997

KULR Corporation, L.L.C.
2045 Overland Avenue
Billings, Montana 59102

Gentlemen:

In connection with the Affiliation Agreement (the "Agreement"), of even date herewith between NBC Television Network ("NBC"), Dix Communications and KULR Corp., licensee of television broadcast station KULR-TV (collectively, the "Station"), NBC and the Station hereby agree as follows:

1. NBC agrees to pay the Station an incentive payment in the amount of (the "Sweeps Incentive") if "NBC Nightly News" is the top-rated network news program, Adults 25-54 (or such other primary demographic utilized by NBC for such program), during a Sweeps Period in KULR-TV's market. "Sweeps Period" shall mean each of the November, February and May NSI ratings sweeps periods during a Broadcast Year. In the event that Station earns a Sweeps Incentive, NBC agrees to pay such amount to Station within forty-five days after the end of the applicable Sweeps Period.

2. NBC agrees to fund certain amounts during the term of the Agreement for Station's marketing and off-air promotion of "NBC Nightly News" and NBC's Prime Time programming, subject to and on the terms set forth herein (the "Promotional Expenses"). Station and NBC shall jointly agree in advance on a plan to promote such NBC programming on the Station as well as the type and amount of Promotional Expenses to be incurred by or on behalf of the Station. NBC shall reimburse Station for up to of the Promotional Expenses incurred during each calendar year commencing with calendar year 1998 and continuing during the initial term of the Agreement.

3. Station agrees to convert to NBC's Ku-Band satellite delivery system by December 31, 1997. Upon Station's conversion to NBC's Ku-band delivery system, NBC agrees to reimburse Station for its costs in connection with such conversion incurred during calendar year 1997 (the "Ku-band Expenses"); provided that the maximum amount payable by NBC in respect of Ku-band Expenses hereunder shall be . In the

event Station's Ku-band Expenses are less than , NBC shall utilize the balance to reimburse Station for its Promotional Expenses during 1997; provided, however, that in no event shall the amount payable by NBC to Station for calendar year 1997 as reimbursements for Ku-band Expenses and Promotional Expenses exceed \$50,000 in the aggregate.

4. With respect to amounts reimbursed by NBC in any calendar year for Station's Promotional Expenses, Station agrees to provide, in each such year, on-air advertising and promotion of NBC programming on the Station ("On-Air Promotion") in an amount equal to the amount reimbursed by NBC during such calendar year for Promotional Expenses. Such On-Air Promotion shall be in addition to Station's commitments pursuant to Paragraph 5(d)(ii) and Exhibit D of the Agreement and the amount of such On-Air Promotion shall be calculated based upon Station's standard rates charged to unaffiliated third parties for comparable advertising time, after giving effect to all customary and usual discounts and other rate reductions. Station shall furnish NBC with vendor invoices and other applicable documentation to substantiate the amount of reimbursed Promotional Expenses and Ku-band Expenses. All amounts owed by NBC pursuant to the foregoing shall be paid on a quarterly basis within thirty (30) days after the end of the calendar quarter in which NBC receives such invoices and other applicable documentation for incurred Promotional Expenses and Ku-band Expenses.

5. NBC hereby agrees that, in the event that Station broadcasts additional local news programming in the 6:00 to 6:30 A.M. time period, Monday through Friday, and notwithstanding the provisions of Paragraphs 2 and 3 of the Agreement, Station shall be permitted to clear "Sunrise" (or replacement programming) at 5:30 A.M., Monday through Friday, for the purpose of broadcasting Station's additional local news programming in the 6:00-7:00 A.M. time period. Accordingly, in such event the News Programmed Time Period of 6:00-6:30 A.M., Monday through Friday, set forth in Paragraph 2(b) of the Agreement shall be amended to be "5:30-6:00 A.M." In consideration of NBC's agreements herein, Station agrees to provide the following promotional support of NBC's "Today Show" during the remaining term of the Agreement:

(a) broadcast a thirty (30) second "Today Show" promotional announcement during Station's 6:00-7:00 A.M. local news programming;


(b) "hot switch" from the Station's 6:00-7:00 A.M. local news program to the "Today Show" and eliminate any terminal break between such local news program and the "Today Show" for commercial announcements; and

(c) Station's news anchors for the 6:00-7:00 A.M. local news program will do a live introduction of the "Today Show" at the end of each such local news broadcast.

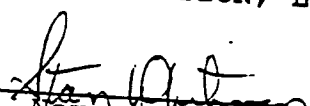
Please indicate your acceptance of the foregoing by signing in the space indicated below.

Very truly yours,

NBC TELEVISION NETWORK

By: 
Name: John F. Damiano
Title: Sr. VP, Affiliate Relations

The foregoing has been reviewed by, and is acceptable to, KULR CORPORATION, L.L.C.

By: 
Name: Stan Whitman
Title: President



June 1, 1998

MDM Broadcasting Inc., L.L.C.
and KULR Corporation, L.L.C.
2045 Overland Avenue
Billings, Montana 59102

KYUS Broadcasting Corp.
Yellowstone Hill
Miles City, Montana 59301

Re: KULR (Billings, Montana) and KYUS (Miles City, Montana)

Gentlemen:

Reference is made to the Affiliation Agreement dated March 26, 1997 (the "Affiliation Agreement") among MDM Broadcasting Inc., L.L.C. and KULR Corporation, L.L.C., as licensee of television broadcast station KULR (Billings, Montana) (collectively, the "Station") and NBC Television Network ("NBC"). Station has requested permission from NBC for KYUS Broadcasting Corp., licensee of television broadcast station KYUS (Miles City, Montana) (collectively, the "LMA Station") to retransmit over the LMA Station NBC Television Network programs carried by the Station pursuant to and in accordance with the Affiliation Agreement ("NBC Programs"). This letter agreement (the "Agreement") will constitute NBC's consent to such rebroadcast by the LMA Station, effective as of April 22, 1998, subject to the terms hereof, for so long as the Station is affiliated with NBC and the Affiliation Agreement is in effect; provided that NBC's consent is expressly limited to the LMA Station. LMA Station hereby agrees to rebroadcast the NBC Programs in accordance with the terms hereof for as long as the Affiliation Agreement is in effect, except in the event and to the extent that NBC terminates this Agreement in accordance with the terms hereof. Our consent is given with the understanding that any rebroadcast of NBC Programs by the LMA Station shall be subject to the provisions hereof, the Affiliation Agreement and the standard clauses annexed hereto and incorporated herein by reference (the "Standard Clauses").

Such rebroadcast by the LMA Station shall be made by appropriate equipment to be maintained and operated at the Station's or the LMA Station's expense, which will receive the signal of the Station and rebroadcast it as authorized by the Federal Communications Commission ("FCC").

LMA Station hereby represents, warrants and agrees that, during the term of this Agreement, it will hold a valid license granted by the FCC to operate the LMA Station as a television broadcast station.

LMA Station is party to a valid, binding and enforceable local marketing agreement with Station containing provisions not inconsistent with the terms hereof. In the event such local marketing agreement is terminated for any reason other than acquisition of ownership or control of LMA Station by Station pursuant to FCC authorization, LMA Station shall notify NBC as promptly as possible, but in no event later than the date of termination, and NBC may, upon such notification, terminate this Agreement on the date that the local marketing agreement is terminated, upon notice to LMA Station. In the event that Station acquires ownership or control of LMA Station pursuant to FCC authorization, Station shall succeed to the rights and obligations of LMA Station under this Agreement.

This Agreement may not be assigned or transferred without the prior written consent of NBC; provided that in the event that the Affiliation Agreement is assigned, transferred or otherwise becomes assumed by a purchaser, assignee or transferee of the Station pursuant to and in accordance with the terms of the Affiliation Agreement, Station agrees that such purchaser, assignee or transferee shall also assume and become bound by the terms of this Agreement, for a term co-terminous with the term of the Affiliation Agreement as it may be extended, pursuant to an assumption agreement satisfactory to NBC. LMA Station agrees that in the event of a sale, assignment or transfer of LMA Station or any of its FCC licenses in accordance with the terms of this Agreement, LMA Station shall require the purchaser, assignee or transferee to assume and become bound by the terms of this Agreement, pursuant to an assumption agreement satisfactory to NBC.

This Agreement shall become effective when signed by each party and shall be co-terminous with the Affiliation Agreement. However, NBC may terminate this Agreement (which may be independent of any termination of the Affiliation Agreement) on thirty (30) days' written notice to you in the event of any material breach of any agreement or any material inaccuracy of any representation or warranty set forth herein or in the Affiliation Agreement with respect to the LMA Station, to the extent such material breach or material inaccuracy is not cured within such thirty (30) day period.

If the above is in accordance with your understanding, please indicate your acceptance on the copy of this Agreement enclosed for that purpose and return that copy to NBC.

Very truly yours,

NATIONAL BROADCASTING COMPANY, INC.

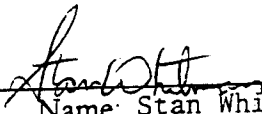
By: 

Name:

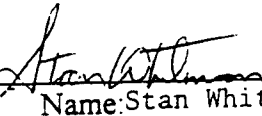
Title: John F. Damiano
Sr. VP, Affiliate Relations

AGREED BY:


MDM BROADCASTING INC., L.L.C.

By: 
Name: Stan Whitman
Title: President

KULR CORPORATION, L.L.C.

By: 
Name: Stan Whitman
Title: President

KYUS BROADCASTING CORP.

By: 
Name: Stephen A. Marks
Title: PRES.

STANDARD CLAUSES

1. The rebroadcast of NBC Programs by LMA Station shall be only on a simultaneous basis with the broadcast of such programs by the Station and shall be by direct off-the-air pick-up from the Station or by microwave.

2. Neither the Station nor LMA Station will, without NBC's consent, authorize, cause, permit or enable anything to be done whereby any NBC Program furnished to LMA Station hereunder may be recorded, duplicated or otherwise used for any purpose other than simultaneous rebroadcasting by LMA Station as provided herein.

3. NBC's permission herein is limited to such rights as NBC may have in its programs.

4. LMA Station shall not charge nor receive network compensation for rebroadcasting NBC Programs.

5. LMA Station shall maintain all operating licenses and other authorizations under all applicable laws, rules and regulations, including all FCC licenses and performing rights licenses, as now are or hereafter may be necessary for LMA Station to rebroadcast the NBC Programs that Station furnishes to LMA Station.

6. Nothing herein shall be construed to hinder or prevent Station or LMA Station from complying with the Station's or LMA Station's responsibilities as a licensee or permittee of the FCC, and this Agreement is subject to all applicable laws, rules and regulations.

7. LMA Station will indemnify and hold NBC free and harmless from any claims, suits or actions, costs and expenses arising out of or in connection with this Agreement or the rebroadcast of NBC Programs on LMA Station.

8. The provisions of the Affiliation Agreement relating to the manner of broadcasting of NBC programming, force majeure events, representations and warranties, indemnification and assignment provisions shall be deemed incorporated herein by reference and shall be applicable with respect to the LMA Station as if LMA Station were the "Station" thereunder.

9. In addition, in the event that ownership or control of the LMA Station is sold or otherwise transferred to a party other than an entity under common control with Glendive Broadcasting Corp., NBC shall have the right to terminate this Agreement.

10. This Agreement (including the Standard Clauses) and the Affiliation Agreement together constitute the entire agreement between NBC and the LMA Station with respect to the subject matter of this Agreement, all prior understandings being merged herein. All questions or disputes with respect to this Agreement shall be determined in accordance with the internal laws of the State of New York. This Agreement may not be changed, modified, renewed, extended or

discharged except as specifically provided herein or by an agreement in writing signed by the parties hereto.

11. Any notices hereunder shall be in writing and shall be given by personal delivery, overnight courier service, or registered or certified mail, addressed to the respective addresses set forth on the first page of this Agreement or at such other address or addresses as may be specified in writing by the party to whom the notice is given. Such notices shall be deemed given when personally delivered, delivered to an overnight courier service or mailed, except that notice of change of address shall be effective only from the date of its receipt. When a notice is given by mail, the date of mailing shall be deemed to be the date of giving the notice.

12. A waiver by either party of a breach of any provision of this Agreement shall not be deemed to constitute a waiver of any preceding or subsequent breach of the same provision or any other provision.

**SCHEDULE I
LMA STATION**

<u>LMA Station Licensee (Name/Address)</u>	<u>Call Sign</u>	<u>Channel</u>	<u>Community of License</u>	<u>Location (Latitude/ Longitude)</u>	<u>Antenna Elevation</u>	<u>Site Elevation</u>
KYUS Broadcasting Corp., Yellowstone Hill, Miles City, MT 59301	KYUS	3	Miles City, MT	N 46° 24' 48"/ W 105° 51' 04"	28.4 meters	812.2 meters

Notwithstanding the foregoing, except as otherwise approved by NIBC in advance, (i) such retransmission shall be on a simultaneous basis with the primary transmission from Station's transmitter; (ii) there shall be no change in location of any of the foregoing listed translator stations or related retransmission equipment; and (iii) there shall be no increase in the transmission power of any equipment utilized in connection with such translator as compared with equipment utilized as of the date hereof.

AFFILIATION AGREEMENT

THIS AGREEMENT, made as of the 17th day of August, 1998, is by and between KULR Corp., LLC., a Montana corporation ("Broadcaster"), and Satellite Services, Inc., a Delaware corporation ("Affiliate"), regarding the "in-pattern distribution" (as such term is commonly understood in the broadcast television industry) of that television programming acquired, packaged and disseminated by Broadcaster, currently known as "WeB" (whether in its current format or in any other digitized, compressed, modified, replaced or otherwise manipulated format), and any successor to a substantial portion of the programming in the event WeB is renamed or discontinued (the "Service"). The Service, as provided in each Television Market (as defined herein) shall be locally branded, locally integrated and localized with certain market-specific content thereby creating the on-air look and feel of a unique local television station. In addition, the Service shall be established as a local business by Broadcaster in each Television Market.

The parties hereby mutually agree as follows:

1. RIGHTS:

(a) Grant of Rights. Broadcaster hereby grants to Affiliate and any affiliate of Affiliate (as defined herein), and Affiliate hereby accepts on behalf of itself and the Electing Affiliates (as defined herein), the right and, to the extent set forth expressly below, the obligation, (i) to exhibit and distribute the Service by cable or other wire or fiber optic transmission system or any other transmission path provided by a material substance, whether now existing or developed in the future ("Cable"), in the Operating Areas of Cable Systems (as defined herein), and (ii) to exhibit, distribute and subdistribute the Service to any satellite master antenna television system ("SMATV"), multipoint distribution service ("MDS"), multichannel multipoint distribution service ("MMDS"), any video dialtone system, open video system or any system or enterprise that distributes audio/visual signals and/or programming over the distribution facilities of a common carrier or other similar legislatively- or administratively-created distribution modality (collectively, "OVS"), and/or any other distribution technology (other than over-the-air broadcast or satellite distribution) in the Operating Areas of Systems regardless of whether such SMATV, MDS, MMDS, OVS or other distribution technology meets the System Qualifications of Exhibit A hereto. In exchange for Affiliate's commitment to act as the exclusive distributor and monitor of security for the Service in the Operating Areas of Systems and subject to Sections 1(b) and (d) hereof, Affiliate's right to distribute the Service in the Operating Areas of Cable Systems shall be exclusive (to the extent permitted by applicable law or regulation) as against any third party desiring to distribute the Service by any means. In the event that Broadcaster, as a result of applicable law or regulation, is unable to

provide the exclusive right to distribute the Service in any Systems to the extent set forth in this Section 1 at any time during the Term, then, effective as of the date of loss of exclusivity in any such Systems hereunder, the exclusive right granted herein shall immediately and automatically be converted to a non-exclusive right to distribute the Service in the affected Systems and, notwithstanding anything contained herein to the contrary, (A) the Affiliate Share (as defined herein) for all affected Systems shall be ten percent (10%) of Gross Revenues (as defined herein), and (B) Affiliate's obligation set forth in the third and fourth sentences of Section 4(c) hereof shall, as to the affected Systems, be extinguished.

Affiliate shall have the obligation, no later than the Launch Date (as defined herein), to launch and distribute the Service throughout the Term on the Cable Systems listed on Schedule 1 hereto as of the date of execution of this Agreement (the "Initial System(s)"); provided, however, that, subject to the following grammatical paragraph, if a System is transferred to a third party and, as a result thereof, no longer is managed under the authority of: (x) an Electing Affiliate, or (y) Tele-Communications, Inc. (of which Affiliate is an indirect, wholly-owned subsidiary) or a wholly owned subsidiary of Tele-Communications, Inc. (collectively, "TCI"), then, Affiliate's obligation with respect to distribution of the Service in such System shall terminate as of the effective date of divestiture. Affiliate agrees that with respect to the Initial Systems, it will provide Broadcaster, no later than thirty (30) days prior to the Launch Date, with the channel position on which the Service will be launched in each such Initial System. The "Launch Date" shall mean the date on which the Service is first made available by Broadcaster, but in no event earlier than September 8, 1998.

The rights granted to Affiliate in this Section 1(a) and elsewhere in this Agreement are also granted hereby to any affiliate of Affiliate. As used in this Agreement, an "affiliate of Affiliate" shall include any entity meeting the requirements of paragraphs I.1, II or III of Exhibit A hereto as if such entity were a Cable television system. Notwithstanding the foregoing, none of the obligations set forth herein shall be binding on any affiliate of Affiliate unless such affiliate of Affiliate affirmatively elects to make a system a System hereunder by agreeing to be bound by the terms and conditions of this Agreement ("Electing Affiliate"). If a System is sold or transferred to an electing Affiliate, Affiliate shall cause such Electing Affiliate to assume the terms of this agreement with respect to such System.

"Operating Area" of a Cable television system shall mean that geographic area in the Territory where the owner or operator of the system is authorized by appropriate governmental authority to operate an audio and video distribution facility and is operating an audio and video distribution facility within such area; provided, however, that if a franchise or license is not required for the distribution of television services in a particular geographic area in the Territory, then the Operating Area of a system shall mean that geographic area where the system is operating regardless of the presence or absence of a franchise or license.

"Territory" shall mean the Television Markets listed on Exhibit C hereto. "Cable System(s)" shall mean any point-to-multipoint Cable television system that: (A) meets the System Qualifications of Exhibit A hereto, and (B) provides television services by Cable. "System(s)" shall mean the Initial Systems and each other Cable System that Affiliate, TCI or an Electing Affiliate elects to include under this Agreement and that has launched and is distributing the Service. No headend of a Cable System that serves fewer than one thousand (1,000) customers shall be included as a System hereunder without the consent of Broadcaster; provided, however, if a headend of a Cable System is connected to one or more other headends or other reception sites (regardless of whether such headends or reception sites are affiliated with Affiliate, TCI or an affiliate of Affiliate), and such connected headends or reception sites serve, in the aggregate, more than one thousand (1,000) customers, then such headend may be included as a System hereunder. A "Television Market" shall mean the Designated Market Area (as such term is commonly understood in the U.S. domestic broadcast television industry) ("DMA"), or, if DMA falls from general or standardized usage, the parties hereto shall negotiate in good faith to agree on a replacement term to demarcate local television markets in a substantially similar manner.

(b) Limits on Exclusivity. If a third party Cable television system operator that has entered into a written agreement with Broadcaster for distribution of the Service approaches Broadcaster in connection with a desire to distribute the Service via Cable in the Operating Area served by a Cable System: (i) that is located in the Territory (ii) that is not a System, (iii) as to which Broadcaster has (as of the date it is so approached) received written notice from Affiliate identifying such Cable System, and (iv) with respect to the Operating Area of which Affiliate is the Incumbent Distributor, then Broadcaster shall give Affiliate prompt written notice identifying such third party. If, within sixty (60) days of Broadcaster's notice, Affiliate makes a binding commitment to launch the Service in the applicable Cable System no later than the later of: (A) three (3) months after Broadcaster's notice hereunder, or (B) the January 1 immediately succeeding Broadcaster's notice hereunder (the later of clauses (A) and (B) of this Section 1(b) shall be referred to herein as the "Launch Commitment Date"), and such Cable System does launch the Service by the Launch Commitment Date, then such Cable System shall be a System and shall be deemed added to Schedule 1 hereto and shall have exclusive rights in its Operating Area as against any third party desiring to distribute the Service. If Affiliate does not, within sixty (60) days of Broadcaster's notice, make a binding commitment to launch the Service in the applicable Cable System by the Launch Commitment Date, Broadcaster may, as of the 61st day after its notice to Affiliate, authorize such third party Cable television system to so distribute the Service by Cable in such area, on a nonexclusive basis or, if such third party is a Charter Affiliate (as defined herein), then on an exclusive basis. If Affiliate makes a timely commitment to launch, but does not launch the Service in the applicable Cable System by the Launch Commitment Date, then Broadcaster may, as of the first day after the Launch Commitment Date, authorize such third party Cable television system to so distribute the Service by Cable in such area, on a nonexclusive

basis or, if such third party is a Charter Affiliate, then on an exclusive basis. A "Charter Affiliate" shall mean a Cable television system operator that has executed an agreement with Broadcaster for exclusive non-broadcast distribution of the Service in the Operating Areas of its Cable television systems not later than December 31, 1998.

(c) Incumbent Distributor. For the purpose of this Section 1 the "Incumbent Distributor" with respect to a geographical area in the Territory shall mean the distributor that was the first Cable distributor to have satisfied both of the following clauses: (i) it or its predecessor-in-interest system owner, operator or manager received a governmental cable television franchise covering such area (or, if no governmental franchise, approval, license, authorization or certification is required for such Cable distribution, then this clause (i) shall be inapplicable); and (ii) it or its predecessor-in-interest system owner, operator or manager actually distributed television programming via Cable in such area.

(d) Addition of Systems. Each Cable System shall be deemed added to Schedule 1 of this Agreement as a "System" hereunder, effective as of the launch of the Service in such Cable System. Affiliate shall provide Broadcaster with at least sixty (60) days' prior written notice of its intent to launch the Service in a Cable System. Any then-existing agreement between or among Broadcaster and any one or more third parties applicable to any such Cable System for carriage of the Service shall terminate and cease to be effective with respect to such Cable System as of the effective date of the addition or deemed addition of such Cable System to Schedule 1 hereto. In the event Affiliate seeks to launch the Service in a Cable System that overlaps a geographic area in which another Charter Affiliate is the Incumbent Distributor but is not distributing the Service, then such other Charter Affiliate shall be accorded the same rights (and shall have the same obligations) as set forth in Section 1(b) hereof, and Affiliate's launch of the Service shall be delayed or, if applicable, prevented accordingly. In the event that the Operating Area of any third party Cable television system that is distributing the Service comes, through geographical expansion, to intersect at least in part with the Operating Area of a Cable System that is the Incumbent Distributor in the intersecting area but that is not distributing the Service, then, Broadcaster shall apply the provisions of Section 1(b) hereof (assuming, for this purpose, that Broadcaster shall not be obligated to notify Affiliate of such intersection until Broadcaster has knowledge of such intersection), and, if necessary by the application of such provisions, require such third party Cable television system to cease distribution of the Service in the intersecting area.

(e) Grandfathering Distribution. Notwithstanding anything in this Section 1 to the contrary, the Service may continue to be distributed by a third party wholly or in part within the Operating Area of a Cable television system that meets the System Qualifications of Exhibit A hereto, provided that such distribution is occurring and any agreements for such distribution (which agreements may be renewed during the Term of this Agreement) are in effect as of the date such Cable television system first meets the System Qualifications of Exhibit A hereto. In addition, in the event

Broadcaster enters into an agreement for distribution of the Service with any cable television system operator listed on Exhibit D hereto no later than December 31, 1998 (a "Qualifying MSO") and, as of the date hereof, the Operating Area of a cable television system owned and operated by any such Qualifying MSO ("Qualifying MSO System") overlaps in whole or in part with a Cable System, then notwithstanding anything in this Section 1 to the contrary, the Service may be distributed by such Qualifying MSO System in the overlapping area, provided that such distribution shall be limited to the overlapping area as it exists as of the date hereof (it being understood that the Cable System's right to distribute the Service in the Operating Area of the Qualifying MSO System shall also be limited to the overlapping area as it exists as of the date hereof), and provided further that the Qualifying MSO System has launched the Service no later than December 31, 1998. Without limiting Broadcaster's obligations pursuant to Section 13(e) hereof, Broadcaster covenants that it shall afford Affiliate the same protections as are given to third party distributors under this Section 1(e).

(f) After Acquired Systems. If, after the date hereof, TCI or an Electing Affiliate acquires a Cable System in the Territory that, as of the effective date of acquisition, is distributing the Service, then TCI or such Electing Affiliate, as the case may be, shall continue to carry the Service on such Cable System for the Term and such Cable System shall become a System hereunder.

(g) After Acquired Stations. If, after the date hereof, Broadcaster acquires the right to disseminate the Service in a Television Market not listed on Exhibit C hereto as of the date of execution of this Agreement, and the Service is being distributed in such Television Market at the time of such acquisition, then (i) any Cable System located in such Television Market and carrying the Service on the effective date of such acquisition shall become a System hereunder, and (ii) the Territory shall be amended to include such Television Market. If, after the date hereof, Broadcaster acquires the right to disseminate the Service in a Television Market not listed on Exhibit C hereto as of the date of execution of this Agreement and, at the time of acquisition, the Service is not distributed in such Television Market but is eligible for distribution therein, then the parties shall negotiate in good faith to amend the Territory to include such Television Market.

2. TERM:

Unless earlier terminated pursuant to the terms of this Agreement, the "Term" of this Agreement shall commence on the date hereof and shall expire ten (10) years from the Launch Date.

3. CONTENT OF THE SERVICE:

(a) Throughout the Term, the programming on the Service shall consist of all programming broadcast on The WB Television Network, including, without limitation, prime time programming and children's programming aired on

weekends and weekday afternoons (subject, however, to preemption for Local Programming as defined and permitted hereunder). The remaining programming on the Service shall consist of broadcast-window syndicated programming and may include infomercial programming subject to the limitations set forth below. In addition, throughout the Term the programming on the Service shall be comparable to the programming on the program schedule attached hereto as Exhibit B. Broadcaster shall, during each month of the Term, send a copy of the Service's monthly program schedule to Affiliate, in care of: Programming Department. Broadcaster agrees that the Service will not contain (i) programming that has received, or had it been rated would have received, an MPAA "X" or "NC-17" rating; (ii) religious programming, other than up to three (3) hours each week, all of which must occur on Sunday mornings; (iii) a sufficient quantity of music videos such that the Service could be characterized as a music video service; (iv) children's programming in excess of eight (8) hours per day; (v) live or taped excerpts or entire portions of actual courtroom trials, hearings or other similar proceedings as a primary component of the programming, except as part of continuing news coverage of an event during Local Programming; (vi) pay-per-view movies or events; (vii) financial news, except during Local Programming, which may contain financial news as long as such programming does not cause the Service to be a "financial news service" (as defined herein); (viii) blackouts, except as provided in Section 3(j) hereof; (ix) home shopping programming; or (x) infomercial programming except between the hours of 2:00 a.m. and 6:00 a.m., prevailing Eastern time, for Systems receiving an eastern version of the Service, and between the hours of 2:00 a.m. and 6:00 a.m., prevailing Pacific time, for Systems receiving a western version of the Service. For purposes of this Section 3(a), a "financial news service" shall mean a service that carries more than fifteen (15) minutes per hour of regularly scheduled business or financial news in any hour during the period beginning at 8:00 a.m. and ending at 6:00 p.m., Eastern Time, on any business day. Notwithstanding the foregoing, the Service may carry up to one (1) full hour of regularly scheduled financial or business news per day (between 8:00 a.m. and 6:00 p.m., Eastern Time) without being considered a financial news service. For purposes of the immediately preceding sentence, the telecast of graphic textual display of stock quotations or other graphic financial information carried in the form generally known as a stock ticker shall not in and of itself be considered the telecast of a "financial news service."

(b) Local Inserts. "Local Programming" shall mean local news and informational programming produced by Broadcaster, subject to the limitations set forth below.

(c) — Commencing not later than one (1) year after seventy-five percent (75%) of the households in a Television Market are passed by Cable television distributors whose distribution facilities are interconnected and are distributing the Service, Broadcaster shall have the right, but not the obligation, to insert in the Service in such Television Market any or all of the following locally-produced, cable-dedicated programming: (A) up to four (4), thirty (30)-minute segments each day for local news programming (to be inserted in the Service as follows: (x) morning news (either 5:00 a.m. to 6:00 a.m., local

time or 6:00 a.m. to 7:00 a.m. local time); (y) afternoon news (12:00 noon to 12:30 p.m.); and (z) late news (either 10:00 p.m. to 10:30 p.m., Eastern or Pacific time, or 11:00 p.m. to 11:30 p.m., Central or Mountain time)), (B) up to three (3) hours on Sunday between the hours of 10:00 a.m. and 1:00 p.m. for programming of local events that are of local interest (and including up to one (1) hour of religious programming), and (C) up to twenty-five (25) hours each year for programming of local events that are of local

(i) interest. None of the local insert opportunities set forth in this Section 3(b)(i) shall be "zoned" or used for the insertion of home-shopping or infomercial programming. Broadcaster shall be solely responsible for the production and delivery of Local Programming. The parties shall negotiate in good faith regarding the use of any interconnection for the use and delivery of the Local Programming to each System.

(i) In the event that Broadcaster has the right to create and distribute one (1) or more local news programs described in Section 3(b)(i)(A) above, but chooses not to do so, then the parties may negotiate in good faith regarding the joint funding, creation and branding of such local news programming. If the parties cannot reach agreement regarding the joint creation of local news programming, then Broadcaster shall not be obligated to produce local news programming, but Affiliate shall retain the right to create local news programming to be inserted in the time periods set forth in Section 3(b)(i)(A) above, and to retain all revenues generated by such local news programming.

(c) Advertising.

(i) Broadcaster shall have the full authority to sell, the exclusive right to sell, and the obligation to use commercially reasonable efforts (with the goal of maximizing advertising revenue on the Service) to sell, all of the designated commercial announcement time that is contained within the programming on the Service and that is made available to Broadcaster. Broadcaster agrees and covenants that all sales of such commercial announcement time shall be made either for cash or as a barter for programming that will appear on the Service (i.e., Broadcaster cannot sell commercial announcement time on the Service in exchange for programming that will appear on Broadcaster's local broadcast television stations). Broadcaster shall only sell commercial announcement time contained in the Service on a Television Market-wide basis, and shall not "zone" or otherwise localize distribution of any such advertising. Broadcaster may sell political advertising on the Service only so long as the use of commercial announcement time by Broadcaster for such advertising does not require Affiliate or any System to provide, either on the Service or on any other programming service, additional air time, commercial promotions or other time to any person or organization

under the "political equal time" regulations promulgated by the Federal Communications Commission ("FCC") or any other governmental agency having jurisdiction.

(ii) Broadcaster shall, within thirty (30) days after the end of each month, rebate to Affiliate the Affiliate Share. Broadcaster shall deliver, together with the Affiliate Share, a monthly and a year-to-date share report that identifies, by Television Market, the aggregate advertising revenues collected for sales of commercial announcement time (including revenues from infomercial programming, if any) on the Service for the pertinent period, the Affiliate Share, including the calculation setting forth how the Affiliate Share was determined, and the identity of the advertisers who paid Broadcaster during the pertinent period. Broadcaster shall report the Affiliate Share to Affiliate separately for TCI and each Electing Affiliate on a Television Market-by-Television Market basis. Nothing in this (ii) shall be construed as requiring Broadcaster to report advertising revenue received from each advertiser separately.

(iii) In the event that Broadcaster sells to an advertiser a package that contains commercial announcement time on the Service and on broadcast television stations owned or managed by Broadcaster ("Package Spots"), revenues from the Package Spots shall be allocated between the Service and the broadcast television stations based on: (A) "Household Gross Ratings Points" (as such term is commonly understood in the U.S. domestic broadcast television industry) ("GRPs") contained in the most recent ratings book available for the pertinent Television Market from A. C. Nielsen Company (not including the ratings book for July in any year) at the time of the sale of the Package Spots (the "Recent Ratings Book"), and (B) the number of spots that appear on the Service and the broadcast television stations, respectively, with the revenues allocated to the Service to be calculated as follows: (1) first, multiply the number of Package Spots appearing during program(s) on the broadcast television stations by the GRPs for such program(s) ("Total Broadcast GRPs"), (2) second, multiply the number of Package Spots appearing during program(s) on the Service by the GRPs for such program(s) ("Total Service GRPs"), and (3) third, divide the Total Service GRPs by the sum of: (x) the Total Broadcast GRPs, and (y) Total Service GRPs. If Broadcaster sells Package Spots to an advertiser, then Affiliate shall have the right, in connection with any audit under Section 6 hereof, to inspect and audit all portions of Broadcaster's agreement relating to the Package Spots with such advertiser (and not just the portion of such agreement relating to the spots to appear on the Service). Notwithstanding anything in this Section 3(c)(iii) to the contrary, Broadcaster shall not sell Package Spots during any time period in any Television Market covering programming on the Service if ratings are not

available for such programming during such time period in such Television Market in the Recent Ratings Book.

(iv) For Systems in a Television Market that are distributing the Service on a channel between two (2) and eighteen (18) (inclusive), the "Affiliate Share" in the aggregate shall be ten percent (10%) of all revenues that are collected that month from advertisers for announcements that are actually sold and run on the Service in such Television Market, including revenues from infomercial programming, net only of ordinary and reasonable commissions and agency fees ("Gross Revenues"). For Systems that are distributing the Service on a channel above eighteen (18), the "Affiliate Share" in the aggregate shall be seven and one-half percent (7.5%) of Gross Revenues. Notwithstanding the foregoing, if, in the month for which the Affiliate Share is being calculated, at least seventy-five percent (75%) of the Service subscribers in Cable Systems distributing the Service are receiving the Service on a channel between two (2) and eighteen (18) (inclusive) (the "75% Threshold"), then the Affiliate Share for all Systems in all Television Markets shall be ten percent (10%) of Gross Revenues. The determination as to whether the 75% Threshold has been met shall be determined separately for TCI and each Electing Affiliate. For example, if TCI had 500,000 Service subscribers in Cable Systems receiving the Service and at least 375,000 of such subscribers were in Cable Systems distributing the Service on a channel between two (2) and eighteen (18) (inclusive), then the Affiliate Share for TCI would be ten percent (10%) of Gross Revenues for all of its Cable Systems distributing the Service. By way of further example, if an Electing Affiliate had 100,000 Service subscribers in Cable Systems receiving the Service and only 50,000 of such Service subscribers were in Cable Systems distributing the Service on a channel between two (2) and eighteen (18) (inclusive), then the Affiliate Share for that Electing Affiliate would be ten percent (10%) of Gross Revenues for those Cable Systems of such Electing Affiliate that distribute the Service on a channel between two (2) and eighteen (18) (inclusive), and seven and one-half percent (7.5%) of Gross Revenues for those Cable Systems of such Electing Affiliate that distribute the Service on a channel above channel eighteen (18). If TCI or an Electing Affiliate meets the 75% Threshold and acquires a Cable System and, as a result thereof, ceases to meet the 75% Threshold, TCI or the Electing Affiliate, as the case may be, shall have six (6) months from the effective date of acquisition of such Cable System to meet the 75% Threshold and, in the interim, shall receive ten percent (10%) of Gross Revenues. If there are two (2) or more distributors of the Service in any Television Market (at least one of which is TCI or an Electing Affiliate), then Broadcaster shall allocate the Affiliate Share between or among such distributors based on the percentage of subscribers to the Service that are served by each such

distributor in such Television Market (adjusted as appropriate for any differential in the percentage of Gross Revenues constituting each distributor's Affiliate Share).

(v) If, during any year after the first anniversary of the Launch Date, Affiliate receives notice from the Executive Committee of WeB Broadcasters (the "Executive Committee") that Broadcaster is a "Sales Subperformer," then Affiliate shall notify Broadcaster. For a period of six (6) months from Affiliate's notice, Affiliate and Broadcaster shall negotiate in good faith to agree on the steps to be taken by Broadcaster to improve its performance in connection with the sale of commercial announcement time on the Service made available to Broadcaster. If Broadcaster and Affiliate are unable to agree as to such steps within such six (6)-month period, then Affiliate shall have the right to terminate this Agreement and to continue carriage of the Service with another market designee selected by the Executive Committee.

(d) Broadcaster shall not, without the consent of the general manager(s) of the pertinent System(s), hire any person to sell commercial announcement time on the Service in a Television Market if such person was, at any time during the three (3) months immediately preceding the date of such hire, employed by Affiliate or any entity affiliated with Affiliate to sell cable television advertising in such Television Market. In the event Broadcaster hires any such person and Affiliate notifies Broadcaster that such hire is in breach of this Agreement, then Broadcaster shall have thirty (30) days from Affiliate's notice to fully cure such breach. If Broadcaster fails to cure such breach within the thirty (30)-day period, then, notwithstanding anything herein to the contrary and in addition to Affiliate's other remedies for breach herein, at law or in equity, the Affiliate Share in such Television Market shall be twenty-five percent (25%) for a period of six (6) months, commencing with the first day of the month immediately following the date of hire. Likewise, Affiliate shall not hire, without the consent of the general manager of the pertinent local broadcast television station, any person to sell advertising for its System(s) in a Television Market if such person was, at any time during the three (3) months immediately preceding the date of such hire, employed by Broadcaster or any entity affiliated with Broadcaster to sell commercial advertising time for Broadcaster's local broadcast television station in such Television Market. In the event Affiliate hires any such person and Broadcaster notifies Affiliate that such hire is in breach of this Agreement, then Affiliate shall have thirty (30) days from Broadcaster's notice to fully cure such breach. If Affiliate fails to cure such breach within the thirty (30)-day period, then, notwithstanding anything herein to the contrary and in addition to Broadcaster's other remedies for breach herein, at law or in equity, Affiliate shall forfeit the Affiliate Share in such Television Market for a period of six (6) months, commencing with the first day of the month immediately following the date of hire.

(d) As more fully described in Section 4(a) hereof, Broadcaster shall be solely responsible for all costs arising from or relating to the delivery, installation, maintenance and repair of all of the equipment reasonably necessary for the Systems to receive and properly integrate the signal of the Service for distribution to Service Subscribers, including, without limitation, the "network-in-a-box" system (as defined herein) (collectively, the "Headend Equipment"). This Agreement does not convey, sell, or assign to Affiliate or any affiliate of Affiliate any right or interest in or to the Headend Equipment. In the event of the expiration or termination of this Agreement as to a System, such System shall return the Headend Equipment to Broadcaster.

If for any reason, including, without limitation, causes beyond the control of Broadcaster, Affiliate, in good faith, determines that the Service includes programming prohibited in Section 3(a) hereof and/or does not include programming that conforms to the content covenant set forth in Section 3(a) above and as referenced in Exhibit B, and Broadcaster has failed to cure such content violation within thirty (30) days of notice of such violation from Affiliate, then Affiliate may, in addition to any and all remedies available to Affiliate hereunder, at law or in equity, discontinue carriage of the Service on any or all Systems, effective at any time by giving notice to Broadcaster within thirty (30) days thereof, which notice may overlap in whole or in part with the cure period set forth above.

(d) The Service shall be co-branded by Broadcaster using the names and service marks of the System and the local broadcast television station. All such co-branding shall be rotated throughout the day and shared equally between the System and the local broadcast television station. Notwithstanding the foregoing, if there are two (2) or more distributors of the Service in a particular Television Market (at least one of which is TCI or an Electing Affiliate) and Broadcaster is distributing Local Programming in such Television Market, then Broadcaster shall only use the brand of the local broadcast television station (or a derivative thereof) on the Local Programming). In addition, if Broadcaster is technically incapable of co-branding during Local Programming and if the System has insertion capabilities, then Broadcaster shall permit such System to insert up to five (5) second sponsorship billboards (e.g., "this programming is brought to you in part by [brand of System]") into the Local Programming at least one (1) time during each half hour of Local Programming. None of the co-branding described in this Section 3(g) shall imply that Affiliate has any attributable ownership interest in the entity that owns or controls the Service.

(d) At all times during the Term, Broadcaster shall provide the Service in its entirety to Affiliate. As used herein, "in its entirety" means that the programming on the Service (other than the commercial and promotional announcements inserted into the Service, and the Local Programming), as received by any Service Subscriber at a given point in time, shall be the same as the programming received by all other subscribers to the Service nationwide, at such point in time, regardless of their location. If Broadcaster does not provide the Service in its entirety

to Affiliate (i.e., the programming received by any subscriber to the Service at a given point in time is different from the programming received by any Service Subscriber at such point in time), then, in addition to any and all remedies available to Affiliate hereunder, at law or in equity, Affiliate shall have the unconditional right to receive, exhibit and distribute the programming included in the Service as provided to Affiliate and/or the additional programming in the exercise of Affiliate's rights hereunder. Broadcaster shall not propose or impose upon Affiliate, TCI or any Electing Affiliate, nor shall Affiliate, TCI or any Electing Affiliate be obligated to pay, any surcharge or other cost, charge or fee for receipt and distribution of the Service in its entirety including, without limitation, the Local Programming, or for the distribution of any additional programming in the event Broadcaster does not provide the Service in its entirety to Affiliate. Notwithstanding the foregoing, and provided that all of the programming of the Service is uplinked in pattern, Broadcaster shall be entitled to distribute an earlier, eastern version of the Service and a later, time-shifted, western version of the service. All Systems located in the Eastern and Central Time Zones shall distribute the eastern version of the Service; all Systems located in the Pacific Time Zone shall distribute the western version of the Service; and all Systems located in the Mountain Time Zone may distribute either the eastern or the western version of the Service.

(d) Broadcaster agrees that in no event will it authorize the broadcast television exhibition of the Service or any program included therein within the Territory, except for no more than two (2) hours each day of syndicated programming that appears on the Service and for which a broadcaster has acquired rights independently of the Service specifically for broadcast on such broadcaster's local broadcast television stations (i.e., so-called "double-run" programming). In addition, Broadcaster and Affiliate acknowledge that the rights holder for the program currently known as "The Rosie O'Donnell Show" may license such show in syndication to a local broadcast television station in one (1) or more Television Markets and that such local broadcast television station may or may not be owned by Broadcaster.

(e) If Affiliate receives a timely written request from Broadcaster or another broadcast television station asking that a System or Systems "blackout" (i.e., refrain from distributing) (i) programming contained on the Service as a result of network nonduplication or syndicated exclusivity rules of the FCC, if applicable; or (ii) programming for which Broadcaster has acquired from the program-rights holder exclusive distribution rights in the pertinent Television Market(s) and that (A) is broadcast on a distant broadcast television signal, (B) duplicates programming contained on the Service, and (C) is imported into the Television Market in which the System or Systems are located, then, unless Affiliate is prevented by applicable law from blacking out such programming, Affiliate shall blackout such programming; provided, however, that Broadcaster shall indemnify Affiliate as provided in Section 8 hereof from any and all losses, liabilities, claims, costs, damages and expenses, including, without limitation, fines, forfeitures, attorneys' fees, disbursements and court or administrative costs (collectively, "Losses"), arising directly or indirectly out of

such blackouts. If Broadcaster requests a System or Systems to blackout programming, then Broadcaster shall either provide or pay Affiliate for the cost of any incremental equipment required by such System or Systems to effectuate the blackout. If Affiliate uses reasonable efforts but fails to implement a required blackout, Affiliate shall neither be in breach of this Agreement nor incur liability to Broadcaster, any third party or otherwise as a result of such failure.

(e) Broadcaster agrees that during the Term it shall, at its sole expense, include as part of the signal of the Service, closed-captioning to the full extent required by law and to the extent required to ensure that Affiliate is in compliance with any and all laws requiring closed captioning. This includes, without limitation, meeting any and all benchmarks for captioning programming as set forth in Part 79 of FCC regulations. Broadcaster also agrees to cooperate with Affiliate to the extent necessary to establish compliance with any such laws or regulations. Broadcaster acknowledges and agrees that, except as set forth in Section 4(d) hereof with respect to the delivery of closed-captioning service to Service Subscribers, neither Affiliate, TCI, any Electing Affiliate, nor any System shall have any liability in connection with Broadcaster's failure to prepare, insert or include closed-captioning in the Service as required by this Section 3(k). In addition, Broadcaster shall indemnify, defend and forever hold harmless Affiliate, TCI, any Electing Affiliate and each of their respective present and former officers, shareholders, directors, employees, partners and agents, as provided in Section 8 hereof, against and from any and all Losses arising out of Broadcaster's breach of this Section 3(k) with respect to any Local Programming inserted into the Service by Broadcaster.

4. DELIVERY AND DISTRIBUTION OF THE SERVICE:

(e) During the Term, Broadcaster or its agent, at its own expense, shall deliver an encrypted signal of the Service (utilizing encryption technology commonly used in the domestic Cable television industry) to the earth station of each System by purchasing, installing, maintaining and operating a network-in-a-box system. For purposes hereof, a "network-in-a-box system" shall be a turn-key delivery and distribution system that distributes a national feed of uniform television programming as described in Section 3(a) hereof via satellite to headend receive equipment, where it is commingled by digital storage, server and processor equipment with customized and localized interstitial programming, together with commercial and promotional announcements; such announcements and interstitial programming shall also have been delivered to such equipment by a satellite feed. With respect to each System that is not, as of the date of launch of the Service in such System, receiving any other television programming services from the satellite from which Broadcaster is transmitting the network-in-a-box system, including the signal of the Service, then Broadcaster, at its expense, shall purchase and install the equipment necessary for such System to receive such satellite transmissions. In addition, if necessary, Broadcaster shall, at its own expense, purchase, install, maintain and operate all other equipment necessary for the receipt, commingling and processing of such satellite transmissions, so they are ready

to be delivered to Service Subscribers by Affiliate. In the event Broadcaster or another person either (i) changes a satellite being used for such transmissions to a satellite or other transmission medium not susceptible to viewing or utilization by a System's or Systems' then-existing earth station equipment without affecting the receipt of the signals of any other programming or other services then received (or committed to be received) by such System or Systems, (ii) changes the technology used by Broadcaster or its agent to encrypt the Service to a technology not compatible with a System's or Systems' then-existing descrambling equipment, or (iii) compresses, digitizes or otherwise modifies the signal of the Service in such a manner that it cannot be received or utilized by a System or Systems then, Broadcaster shall promptly reimburse such System or Systems, as the case may be, for (A) the cost to such System or Systems to acquire and install equipment necessary for such System or Systems to receive the signal of the Service from such new satellite or other transmission medium, and/or (B) the cost to such System or Systems to acquire and install equipment necessary for such System or Systems to descramble, receive and/or utilize the signal of the Service. Broadcaster agrees to provide Affiliate with at least one hundred twenty (120) days' prior written notice of a satellite or technology change as set forth in subsections (i) through (iii) above; provided, however, that if a satellite change is the result of a force majeure event as set forth in Section 10 hereof, Broadcaster agrees to provide Affiliate with written notice as soon as practicable. Notwithstanding anything in this Section 4(a) or elsewhere in this Agreement to the contrary, Affiliate may utilize either the signal of the Service delivered by Broadcaster or the signal of the Service delivered by any other entity authorized by Broadcaster to distribute the Service.

(f) Broadcaster shall deliver to each System a digitally encoded video and audio signal of the Service of a technical quality at least equivalent to the technical quality of audio and video signals delivered by other cable television programming services.

(f) Each System or other video distribution system or enterprise may carry the Service in an analog format, a digital or modified format, or in any combination thereof, but only as a full-time service. The Systems shall distribute the Service, without alteration, editing or delay. Broadcaster agrees that Affiliate shall have complete authority to control and to designate the channel(s) over which the Service is to be carried on each System; provided, however, that Affiliate shall use commercially reasonable efforts to distribute the Service on the Launch Date in the Initial Systems on a channel between two (2) and eighteen (18), inclusive. Affiliate agrees that once the Service is launched on a System, Affiliate shall not change the channel unless there is a good faith business reason for such change and, if there is a channel change, to provide Broadcaster notice of any such change as soon as reasonably practicable but in no event less than thirty (30) days prior to such change.

(f) Affiliate retains and reserves any and all rights in and to, and may use in its sole discretion, all signal distribution capacity contained within the bandwidth of the signal of the Service, including, without limitation, the VBI, audio

subcarriers or channels and any other portions of the bandwidth that may be created or made usable as a result of the conversion of the signal of the Service from its current format to any other format, from each System or other first downlink facility to the Service Subscribers served by such System or other first downlink facility. Notwithstanding the foregoing, if Broadcaster uses (i) one (1) line of the VBI contained within the bandwidth of the signal of the Service for closed-captioning for the hearing impaired, (ii) one (1) or more lines of the VBI contained within the bandwidth of the signal of the Service (which number of lines shall be limited to the minimum number of lines necessary to comply with applicable law) solely and exclusively for the transmission of data for the identification and rating of video programming that contains sexual, violent or other indecent material in accordance with applicable law, and/or (iii) one (1) line of the VBI contained within the bandwidth of the signal of the Service for identification of program and commercial material as measured by A.C. Nielsen Company, then Affiliate shall transmit such closed-captioning service, and/or identification and rating data if no other information, service, programming, data, material or product is contained on the same line(s) of the VBI as any closed-captioning service and/or identification and rating data is contained. In addition, Affiliate shall not delete from the signal of the Service any information, data or material contained within the bandwidth of the signal of the Service that is necessary for the operation of the network-in-a-box system, provided that Broadcaster has provided Affiliate with prior notice of the existence and location of any such information, data or material. In the event Broadcaster includes any other information, service, programming, data, material or product on the same line(s) of the VBI as any closed-captioning service, identification rating data and/or network-in-a-box system data is contained, then Affiliate shall have the right, on a System-by-System basis, selectively to remove from the VBI of the signal of the Service as received by a System any or all of such information, service, programming, data, material or product other than such closed-captioning service, identification rating data and/or network-in-a-box data.

(f) Each System or other video distribution system or enterprise shall distribute the Service only on the broadcast basic (as such term is commonly understood in the cable television industry) tier of service unless such positioning would result in a System having to be technically reconfigured, in which case the Service will be distributed in such System on the most highly-penetrated level of service above broadcast basic. In addition, with respect to any System that is not distributing the Service on the broadcast basic tier of service, Affiliate shall use commercially reasonable efforts thereafter to reposition the Service to a channel between two (2) and eighteen (18), inclusive.

(f) Except as otherwise permitted herein, Affiliate shall not itself, and shall not authorize others to, copy, tape or otherwise reproduce any part of the Service without Broadcaster's prior written authorization and shall take reasonable and practical security measures to prevent the unauthorized or otherwise unlawful copying, taping or other reproduction of the Service by others through the facilities of the Systems. Affiliate shall not be responsible for home taping by anyone viewing the

Service and Affiliate may promote home taping as part of Affiliate's marketing efforts. Broadcaster acknowledges that this Section 4(f) does not restrict Affiliate's practice of connecting its subscribers' videocassette recorders, or other devices susceptible to use for home duplication of video programming, to the facilities of a System.

(f) Broadcaster agrees that if it grants or offers to any third party, or has granted or offered to any third party (including an affiliate of Broadcaster), or acquiesces in the exercise by any third party (including an affiliate of Broadcaster) of, any right to copy, tape or reproduce any portion of the Service programming and to exhibit, distribute and sell such portions of the Service programming, via a file server or any other technology, at times other than the time of original transmission by Broadcaster, then Broadcaster shall promptly offer such right to Affiliate on terms and conditions, each one of which is no less favorable than the grant or offer of, or the acquiescence in, such right in respect of such third party; provided, however, that such terms or conditions must relate solely to the exercise of such right to copy, tape, reproduce, exhibit, distribute and sell such portions of the Service programming.

(f) Broadcaster hereby grants to Affiliate the right to transmit the signal of the Service as received by any System to the Cable television system(s) of one or more third parties which likewise have agreements with Broadcaster to distribute the Service; provided that each such third party is authorized by Broadcaster pursuant to a written agreement or otherwise to receive and/or distribute the signal of the Service. Broadcaster also hereby grants Affiliate the right to receive the signal of the Service from a third party who has an agreement with Broadcaster to distribute the Service in the pertinent Television Market.

(f) Broadcaster agrees that if it grants or offers to any third party, or has granted or offered to any third party (including an affiliate of Broadcaster), or acquiesces in the exercise by any third party (including an affiliate of Broadcaster) of, any right to exhibit, distribute, subdistribute and/or authorize the reception of (i) any three-dimensional or other augmented or enhanced version of the Service or the Service programming, whether or not such version is offered in conjunction with or separate from the Service, or (ii) any multimedia, interactive or computer application(s) relating to or based on the Service or the Service programming, whether or not such application is offered in conjunction with or separate from the Service, then Broadcaster shall promptly offer such right to Affiliate on terms and conditions, each one of which is no less favorable than the grant or offer of, or the acquiescence in, such right in respect of such third party; provided, however, that such terms or conditions must relate solely to the exercise of such exhibition, distribution, subdistribution and/or authorization rights.

4. FEEES:

(f) In consideration of the terms and conditions set forth herein, Affiliate shall pay Broadcaster no license fees or any similar payment of any kind whatsoever during the Term for the rights granted herein.

(f) "Service Subscriber(s)", as used in this Agreement, shall mean each location to which Affiliate, pursuant to this Agreement, intentionally authorizes the Service directly or through an affiliate. Service Subscribers shall include each occupied single family dwelling, each occupied dwelling in a multiple unit complex and each bar, restaurant and other residential or commercial location where the Service is received.

4. RECORDS:

(a) Broadcaster agrees to keep and maintain accurate books and records of all matters directly relating to this Agreement in accordance with generally accepted accounting principles, consistently applied. During the Term and for one (1) year after the termination of this Agreement, such books and records shall be available to Affiliate for inspection and audit, during normal business hours, at Affiliate's expense, at Broadcaster's offices upon at least thirty (30) days' prior notice to Broadcaster. Affiliate's right to perform such audit shall be limited to once in any twelve (12)-month period during the Term and once during the year following termination of this Agreement, and shall be limited to an audit with respect to amounts to be paid in the current calendar year and immediately preceding calendar year only. If Affiliate audits Broadcaster's books hereunder, Affiliate must make any claim against Broadcaster within the earlier of three (3) months after Affiliate or Affiliate's representative leaves Broadcaster's offices, or twenty-four (24) months after the close of the earliest month that is the subject of such claim. In addition, any such claim, if and when made, must relate to the then-current calendar year or the immediately preceding calendar year only. If a claim is not made within any limitation set forth herein, then all amounts paid hereunder shall be deemed final and incontestable, and Affiliate will be deemed to have forever and conclusively waived its right, whether known or unknown, to collect any shortfalls from Broadcaster for the period(s) audited.

5. PROMOTION:

(a) In each Television Market, Broadcaster shall promote the Service with promotional announcements during programming on the pertinent local broadcast television station with an aggregate of not less than 250 GRPs every week, on average over each quarter, and during programming with an aggregate of not less than 125 GRPs during any one (1) week (the "Broadcast Requirement"). In addition, in each Television Market, Broadcaster may insert during programming contained on the Service promotions for Broadcaster's local broadcast television station in such Television Market in an amount of up to 250 GRPs per week, on average over each calendar quarter (the "WeB Opportunity"). Notwithstanding the foregoing, the promotional obligation set forth above for Broadcaster with respect to the Broadcast

Requirement and the promotional opportunity set forth above for Broadcaster with respect to the WeB Opportunity, shall be reduced to an aggregate of 125 GRPs worth of promotional announcements each week during each of the following periods: (i) September of each year during the launch of new programs and new episodes of existing programs, (ii) each political advertising season, and (iii) the summer and winter Olympic Games. All promotional announcements aired pursuant to this Section 7(a) must be run between 6:00 a.m. and 2:00 a.m., and must be evenly distributed among dayparts during such period. In no event shall Broadcaster be required to run more than sixty (60), thirty-second (:30) spots per week in order to meet the Broadcaster Requirement and, in no event, may Broadcaster run more than one hundred (100), thirty-second (:30) spots per week in order to meet the WeB Opportunity.

(a) In addition to the co-branding provisions set forth in Section 3(g) hereof, Affiliate shall have the right at all times during the Term hereof to require that, in every place served by a System, and in all media in such place where Broadcaster's brand appears in conjunction with either the brand of the WB Television Network or its associated brands, the System's brand shall (i) also appear in a plainly legible format; and (ii) be no smaller than, and be given no less prominence or treatment than, either Broadcaster's brand or the brand of any other distributor of the Service that also appears. In determining whether such brands are of equal size, the total logo volume (i.e., the height multiplied by the width in a printed format, or the number of pixels high multiplied by the number of pixels wide in a video format) shall be computed. Affiliate shall have the right, in its sole and absolute discretion and at any time, subject only to the requirement of giving Broadcaster not less than sixty (60) days' advance notice of such change, to change a System's brand by supplying Broadcaster with the necessary materials to identify the new brand.

(a) Broadcaster and Affiliate shall each provide to the other, without cost, the results of any research, marketing tests, surveys, rating polls and/or other research in the Systems that pertains to the Service; provided, however, that with respect to any research performed by an unaffiliated party, such research shall be provided to the other party hereunder only if such research can be legally copied under the agreement between the unaffiliated party and Broadcaster or Affiliate, as the case may be.

(a) Affiliate acknowledges that the name and mark "WeB" (and the names of certain programs that appear in the Service) are the exclusive property of The WB Television Network and its suppliers and that Affiliate has not and will not acquire any proprietary rights therein by reason of this Agreement. Broadcaster shall have the right to approve any use of such names or marks by Affiliate in publicity about Broadcaster or the products or programming included in the Service. Use of such names and marks in routine promotional materials such as program guides, program listings and bill stuffers shall be deemed approved unless Broadcaster specifically notifies Affiliate to the contrary prior to such use by Affiliate.

(a) Broadcaster and Affiliate hereby acknowledge that (i) their interests are often in direct conflict, (ii) their relationship is often adversarial, and (iii) Broadcaster could cause Affiliate significant harm by the nature of Broadcaster's communications to Affiliate's subscribers or franchise or licensing authorities whose opinions and actions could adversely affect Affiliate's Cable television systems or other video distribution systems or enterprises. Therefore, Broadcaster shall not engage in any communications with subscribers or franchise or licensing authorities in the Operating Area of any Cable System or other video distribution system or enterprise that meets the System Qualifications of Exhibit A hereto that could reasonably be expected to directly adversely interfere with Affiliate's relations with the subscribers or franchise or licensing authorities in such Operating Area or the community comprising such Operating Area. This provision shall not apply (A) to any proceeding before any judicial body, (B) to communications with Congress or with any other branch or agency of the Federal government, or (C) normal broadcasting activities or other normal activities of over-the-air broadcast television stations. This Section 7(e) shall survive the expiration or termination of this Agreement (regardless of the reason for such expiration or termination) for a period of one (1) year.

(a) Broadcaster shall not include in the Service any advertisements for "800," "888," "900," or "976" telephone services, or other telephone services or similar services that bill a caller for placing or confirming the call (other than for the telephone company's cost of the call), that relate directly or indirectly to gambling or sexual activities, to the occult or any adults-only services, or to any services that are directed at children.

6. WARRANTIES AND INDEMNITIES:

(a) Broadcaster represents and warrants to Affiliate that (i) Broadcaster is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware; (ii) Broadcaster has the power and authority to enter into this Agreement and to fully perform its obligations hereunder; (iii) Broadcaster is under no contractual or other legal obligation that shall in any way interfere with its full, prompt and complete performance hereunder; (iv) the individual executing this Agreement on behalf of Broadcaster has the authority to do so; (v) Broadcaster's transmission of the Service is in compliance with all laws, rules, regulations and court and administrative decrees to which it is subject, including, without limitation, all applicable rules and regulations of the FCC, the non-compliance with which would have an adverse effect on Affiliate or the Systems; (vi) Broadcaster has, or will have acquired at the pertinent time when all or part of the Service is made available to Affiliate, good title to, and/or each and every property right (whether relative to tangible or intangible property), or license, usage or other right necessary or appropriate whatsoever to effectuate the acts or performances contemplated by, or satisfy the obligations imposed on it pursuant to, this Agreement, including all permits, rights, licenses and approvals necessary, required or appropriate for any and all performances through to the premises and to the listeners frequenting the premises of

Service Subscribers; (vii) neither the Service, any program related thereto, nor any component thereof is subject to, or the subject of, any lien, encumbrance, charge, lis pendens, administrative proceeding, governmental investigation, or litigation pending or threatened; (viii) the use and exhibition of the Service by Affiliate, as contemplated by this Agreement, will not cause Affiliate to violate any law, rule, regulation or court or administrative decree; and (ix) the obligations created by this Agreement, insofar as they purport to be binding on Broadcaster, constitute legal, valid and binding obligations of Broadcaster enforceable in accordance with their terms.

(a) Affiliate represents and warrants to Broadcaster that (i) Affiliate is a corporation duly organized and validly existing under the laws of the State of Delaware; (ii) Affiliate has the power and authority to enter into this Agreement and to fully perform its obligations hereunder; (iii) Affiliate is under no contractual or other legal obligation that shall in any way interfere with its full, prompt and complete performance hereunder; (iv) the individual executing this Agreement on behalf of Affiliate has the authority to do so; and (v) the obligations created by this Agreement, insofar as they purport to be binding on Affiliate, constitute legal, valid and binding obligations of Affiliate enforceable in accordance with their terms.

(b) Broadcaster represents, warrants and covenants that the Service complies, and will continue to comply, in all respects with (i) the commercial matter limitations of the Children's Television Act of 1990, Public Law 101-437 (October 18, 1990) and the regulations of the FCC promulgated thereunder, as the same may apply to Cable television systems and Cable operators, including, without limitation, 47 C.F.R. §§ 76.225 and 76.305, and as the same may be amended from time to time ("Children's Television Regulations"), and that Broadcaster shall provide Affiliate with all required records demonstrating such compliance under the Children's Television Regulations as are necessary for Affiliate to demonstrate its compliance as a Cable operator with the commercial matter limitations and record keeping requirements of the Children's Television Regulations in a timely manner; (ii) all applicable origination cablecasting regulations of the FCC, if any, including, without limitation, 47 C.F.R. §§ 76.205 - 76.221 (political equal time, personal attack, lotteries and sponsorship identification), as the same may be amended from time to time ("Origination Cablecasting Regulations"), and that Broadcaster shall provide Affiliate with all necessary documentation required thereunder for Affiliate to meet its documentation and public file requirements under the Origination Cablecasting Regulations in a timely manner; and (iii) the benchmark requirements for captioning programming imposed by Part 79 of FCC regulations, as the same may be amended from time to time ("Closed Captioning Regulations"), and that Broadcaster shall provide Affiliate with all records necessary for Affiliate to demonstrate its compliance with the benchmarks imposed by the Closed Captioning Regulations in a timely manner. In the event that any other programming offered by the Service shall be among the kind of programming that is regulated by federal, state or local law, as the same may apply to Cable television systems and Cable operators, or other non-broadcast television distributors, then Broadcaster shall provide Affiliate with all statements, records or other documents

reasonably necessary for Affiliate to demonstrate compliance as a Cable operator or distributor with such laws and regulations in a timely manner.

(b) Affiliate and Broadcaster shall each indemnify, defend and forever hold harmless the other, the other's affiliated companies and each of the other's (and the other's affiliated companies') respective present and former officers, shareholders, directors, employees, partners and agents, against and from any and all Losses arising out of any breach of any term of this Agreement or any warranty, covenant or representation contained herein.

(b) Without limiting Section 8(d) hereof, Broadcaster shall indemnify, defend and forever hold harmless Affiliate and Affiliate's affiliated companies and each of Affiliate's and Affiliate's affiliated companies' respective present and former officers, shareholders, directors, employees, partners and agents, against and from any and all Losses arising directly or indirectly out of (i) the content of the Service or the use and delivery of the Service hereunder (including, without limitation, Local Programming, infomercial programming, sponsorship, promotional and advertising spots, any background music and anything else inserted by Broadcaster or any party other than Affiliate), including, without limitation, any Losses based upon any program included in the Service or any component thereof, or based upon alleged or proven libel, slander, defamation, invasion of the right of privacy or publicity, or alleged or proven violation or infringement of copyright (including music performance rights for any and all performances through to Affiliate's subscribers), literary or music synchronization rights, obscenity, indecency, or any other form or forms of speech (whether or not protected by the Constitution of the United States or any state) or otherwise arising out of the content of the Service as furnished by Broadcaster hereunder (provided that Affiliate shall, to like extent, indemnify Broadcaster for any deletion or addition of material by Affiliate to the Service which deletion from, or addition to, the Service gives rise to Losses); or (ii) the sale or marketing of any products or services by, through or on the Service, including, without limitation, claims related to product liability, patent, trademark, copyright infringement, right of privacy or publicity, express or implied warranties, warranties relating to compliance with any applicable governmental laws or regulations and personal injuries (physical, economic or otherwise), to any person who may use, consume or be affected by the products and services sold or marketed by, through or on the Service.

(b) In connection with any indemnification provided for in this Section 8, each party shall so indemnify the other only if the party claiming indemnity shall give the indemnifying party prompt notice of any claim or litigation to which its indemnity applies; it being agreed that the indemnifying party shall have the right to assume the full defense of any or all negotiations, claims or litigation to which its indemnity applies. The indemnified party will cooperate fully (at the cost of the indemnifying party) with the indemnifying party in such defense and in the settlement of such claim or litigation, and the indemnified party shall make no compromise or settlement of any such claim without the prior written consent of the indemnifying

party. The settlement of any claim or action by the indemnified party without the prior written consent of the indemnifying party shall release the indemnifying party from its obligations hereunder with respect to such claim or action so settled.

(b) Broadcaster represents, warrants and covenants that (i) it has procured and shall maintain during the Term, general liability insurance covering the Service and all elements thereof from a nationally recognized insurance carrier and in accordance with industry standards; (ii) such insurance shall have minimum limits of at least \$1,000,000 per occurrence and a \$3,000,000 annual aggregate for all claims, and shall carry a deductible of not more than \$10,000 for any single claim; (iii) such insurance shall provide coverage not only with respect to claims asserted during the term of the insurance policy, but also with respect to claims that are asserted during a period of not less than three (3) years following expiration of such term; (iv) Affiliate shall be named as an additional insured on the insurance policy, and such policy shall provide that the proceeds thereof shall be payable to Affiliate; (v) Broadcaster shall provide Affiliate with documentation to such effect upon the execution hereof; (vi) at least thirty (30) days prior to the expiration of such policy, Broadcaster shall provide Affiliate with appropriate proof of issuance of a policy that continues in force and effect the insurance coverage of the insurance so expiring; and (vii) Broadcaster shall provide Affiliate with thirty (30) days' written notice of any changes in such policy; provided, however, that Broadcaster shall not make any revisions to such policy that could adversely affect Affiliate's rights without Affiliate's prior written consent.

(c) The representations, warranties and indemnities contained in this Section 8 shall continue throughout the Term and the indemnities shall survive the expiration or termination of this Agreement, regardless of the reason for such expiration or termination.

7. EARLY TERMINATION RIGHTS:

(a) In addition to Broadcaster's other rights at law or in equity or pursuant to other provisions of this Agreement, Broadcaster may, by notifying Affiliate, terminate this Agreement: (i) if Affiliate is in material breach of this Agreement; provided, however, that if such breach is of the type that is curable, then Broadcaster shall not exercise its termination or other rights at law or in equity hereunder unless Broadcaster has, by notifying Affiliate in writing, given Affiliate at least thirty (30) days from the time such notice is received by Affiliate to cure such material breach fully and to demonstrate to Broadcaster that such material breach has been cured, and provided further, that if such breach is confined to a System or to a limited number of Systems, Broadcaster shall have the right to terminate this Agreement only as to such System or Systems; (ii) if Affiliate has filed a petition in bankruptcy, is insolvent, or has sought relief under any law related to Affiliate's financial condition or its ability to meet its payment obligations; (iii) if any involuntary petition in bankruptcy has been filed against Affiliate, or any relief under any such law has been sought by any creditor(s) of Affiliate, unless such involuntary petition is dismissed, or such relief is denied within

thirty (30) days after it has been filed or sought; (iv) the Launch Date has not occurred by December 31, 1998; or (v) on ninety (90) days' prior written notice to Affiliate, if the Service (including any substitutes and replacements therefor) is permanently discontinued in its entirety to all distributors. In addition to Broadcaster's other rights at law or in equity or pursuant to the preceding sentence or any other provision of this Agreement, Broadcaster may, by notifying Affiliate, terminate this Agreement as to one or more particular Television Markets if Broadcaster no longer has access to all of the prime time and/or children's programming broadcast on The WB Television Network in such Television Market or Television Markets.

(b) In addition to Affiliate's other rights at law or in equity or pursuant to other provisions of this Agreement, and in addition to any other right to terminate provided hereunder, Affiliate may, by notifying Broadcaster, terminate this Agreement: (i) if Broadcaster is in material breach of this Agreement; provided, however, if such breach is of the type that is curable, then Affiliate shall not exercise its termination or other rights at law or in equity hereunder unless Affiliate has, by notifying Broadcaster, given Broadcaster at least thirty (30) days from the time such notice is sent, to cure such material breach fully and to demonstrate to Affiliate that such material breach has been cured, unless a shorter cure period is specified elsewhere in this Agreement for a specific breach, in which case such shorter cure period shall apply; (ii) if Broadcaster has filed a petition in bankruptcy, is insolvent or has sought relief under any law related to Broadcaster's financial condition or its ability to meet its payment obligations; (iii) if any involuntary petition in bankruptcy has been filed against Broadcaster, or any relief under any such law has been sought by any creditor(s) of Broadcaster, unless such involuntary petition is dismissed, or such relief is denied, within thirty (30) days after it has been filed or sought; (iv) the Launch Date has not occurred by December 31, 1998; or (v) on ninety (90) days' prior written notice to Affiliate if the Service (including any substitutes and replacements therefor) is permanently disconnected in its entirety to all distributors. In addition to Affiliate's other rights at law or in equity or pursuant to the preceding sentence or another provision of this Agreement, Affiliate may, by notifying Broadcaster, terminate this Agreement as to one or more particular Television Markets (A) if Broadcaster no longer has access to all of the prime time and/or children's programming broadcast on The WB Television Network in such Television Market or (B) on at least fifteen (15) days' notice in the event that delivery of the Service in such Television Market is discontinued or interrupted for a continuous period of seventy-five (75) days.

8. FORCE MAJEURE:

Except as herein provided to the contrary, neither Affiliate nor Broadcaster shall have any rights against the other party hereto for the non-operation of facilities or the non-furnishing of the Service if such non-operation or non-furnishing is due to an act of God; inevitable accident; fire; lockout; flood; tornado; hurricane; strike or other labor dispute; riot or civil commotion; earthquake; war; act of government or governmental instrumentality (whether federal, state or local); failure of

performance by a common carrier; failure in whole or in part of technical facilities; or other cause (financial inability excepted) beyond such party's reasonable control. In the event of non-operation or non-furnishing of the Service, Affiliate shall have the right, immediately, to insert programming of its choice on the channel otherwise identified with the Service until such time as the Service is fully operational again.

9. NOTICES:

Any notice or report given under this Agreement shall be in writing, shall be sent postage prepaid by registered or certified mail, return receipt requested, or by hand or messenger delivery, or by Federal Express or similar overnight delivery service, or by facsimile transmission, to the other party, at the following address (unless either party at any time or times designates another address for itself by notifying the other party by certified mail, in which case all notices to such party thereafter shall be given at its most recently so designated address):

To Broadcaster:

To Affiliate:

Terrace Tower II
5619 DTC Parkway
Englewood, Colorado 80111
Facsimile Number: (303) 488-3218

Attention: President
cc: Legal Department

Notice or report given by personal delivery shall be deemed given on delivery. Notice or report given by mail shall be deemed given on the earlier to occur of actual receipt thereof or on the fifth day following mailing thereof in accordance with the notice requirements of this Section 11. Notice or report given by Federal Express or similar overnight delivery service shall be deemed given on the next business day following delivery of the notice or report to such service with instructions for overnight delivery. Notice or report given by facsimile transmission shall be deemed given on the day of transmission if a business day, or on the next business day after the day of transmission if not transmitted on a business day.

10. CONFIDENTIALITY; PRESS RELEASES:

(a) Neither Affiliate nor Broadcaster shall disclose (whether orally or in writing, or by press release or otherwise) to any third party any information with respect to the terms and provisions of this Agreement, any information obtained by

Affiliate in any inspection and/or audit of Broadcaster's books and records or any information contained in any data or report required or delivered hereunder or any materials related thereto; and Broadcaster shall not use or disclose to any third party any information regarding Affiliate's promotion of the Service, including, without limitation, Affiliate's promotional or marketing plans, programs or strategies or any information (whether personally identifiable information or not) regarding Affiliate's or any affiliate of Affiliate's Cable television subscribers including, without limitation, the number of such Cable television subscribers, except (as to all of the preceding):

(i) to each party's respective officers, directors, employees, auditors and attorneys, in their capacity as such; provided, however, that the disclosing party agrees to be responsible for any breach of the provisions of this Section 12 by such officers, directors, employees, auditors or attorneys;

(ii) to the extent necessary (redacted to the greatest extent possible) to comply with law or with the valid order of an administrative agency or a court of competent jurisdiction; provided, however, that the disclosing party notifies the other party as promptly as practicable (and, if possible, prior to making such disclosure) and the disclosing party seeks confidential treatment of such information;

(iii) as part of its normal reporting or review procedure to its parent company and such parent company's auditors and attorneys; provided, however, that the disclosing party agrees to be responsible for any breach of the provisions of this Section 12 by such parent company, its auditors or attorneys;

(iv) in order to enforce its rights or perform its obligations pursuant to this Agreement provided that prior to such disclosure such party shall seek confidential treatment of such information;

(v) if mutually agreed upon, in writing, by Affiliate and Broadcaster in advance of such disclosure;

(vi) to a prospective purchaser of a System or broadcast television station in a Television Market if such prospective purchaser executes a written agreement agreeing to maintain the confidentiality of such information, subject only to exceptions comparable to that set forth in this Section 12(a); and

(vii) with respect to Broadcaster's disclosure, to the extent that such information relates to Affiliate's or any affiliate of Affiliate's Cable television subscribers and is independently obtained by Broadcaster from a third party in a communication that does not violate the provisions of Section 7(e) hereof.

(b) This Section 12 shall survive, indefinitely, the expiration or termination of this Agreement regardless of the reason for such expiration or termination.

10. MISCELLANEOUS:

(c) Assignment; Binding Effect; Reorganization. This Agreement, including both its obligations and benefits, shall redound to the benefit of, and be binding on, the respective transferees and successors of the parties hereto, except that neither this Agreement nor either party's rights or obligations hereunder shall be assigned or transferred by either party without the prior written consent of the other party; provided, however, no consent shall be necessary in the event of (i) an assignment to a successor entity resulting from a merger, acquisition or consolidation by either party, (ii) an assignment to an entity under common control, controlled by or in control of either party or (iii) in the case of Broadcaster, an assignment of this Agreement, insofar as it pertains to a particular Television Market, to the assignee of the FCC licenses in respect of the local broadcast station in or adjacent to such Television Market in connection with the sale of substantially all of the assets of such local broadcast station provided that such assignee has the right and obligation to disseminate the Service in such Television Market. Unless prohibited by any agreement with a federal agency or any other order of a governmental authority or court of competent jurisdiction, if Broadcaster sells or otherwise disposes of a local broadcast television station in (or adjacent to) a Television Market, then, Broadcaster shall require the transferee, as a condition to such transfer and disposition, to assume, in writing, all of the terms and conditions of this Agreement. Upon such assumption, Broadcaster's obligations shall, insofar as they pertain to such Television Market, thereafter terminate as to such Television Market, and Broadcaster shall have no continuing liability for the performance of the terms hereunder with respect to the local broadcast television station so transferred and any system in such Television Market shall no longer be considered a System for purposes of this Agreement effective upon the completion of such transfer. If Affiliate sells or otherwise disposes of its ownership interest in a System or a part of a System to a third party and, as a result thereof, such System (or part thereof) no longer meets the System Qualifications of Exhibit A hereto, then Affiliate shall have no obligation to require the transferee, as a condition to such transfer and disposition, to assume the terms and conditions of this Agreement.

(c) Entire Agreement; Amendments; Waivers. This Agreement, including the Schedules and Exhibits attached hereto which, by this reference, are incorporated in their entirety herein, contains the entire understanding of the parties hereto and supersedes and abrogates all contemporaneous and prior understandings of the parties, whether written or oral, relating to the subject matter hereof. This Agreement may not be modified except in a writing executed by both parties hereto. Any waiver of any provision of, or right included in, this Agreement must be in writing and signed by the party whose rights are being waived. No waiver by either Affiliate or Broadcaster of any breach of any provision hereof shall be or be deemed to be a waiver

of any preceding or subsequent breach of the same or any other provision of this Agreement. The failure of Affiliate or Broadcaster to enforce or seek enforcement of the terms of this Agreement following any breach shall not be construed as a waiver of such breach.

(c) Governing Law. The obligations of Affiliate and Broadcaster under this Agreement are subject to all applicable federal, state and local laws, rules and regulations (including, without limitation, the Communications Act of 1934, as the same has been and may be amended from time to time (the "Act"), and the rules and regulations of the FCC promulgated thereunder), and this Agreement and all matters or issues collateral thereto shall be governed by the laws of the State of New York, without regard to choice of law rules.

(c) Relationship. Neither Affiliate nor Broadcaster shall be, or hold itself out as, the agent of the other under this Agreement. No subscriber of Affiliate shall be deemed to have any privity of contract or direct contractual or other relationship with Broadcaster by virtue of this Agreement or Broadcaster's delivery of the Service to Affiliate hereunder. Likewise, no supplier of advertising or programming or anything else included in the Service by Broadcaster shall be deemed to have any privity of contract or direct contractual or other relationship with Affiliate by virtue of this Agreement or Affiliate's carriage of the Service hereunder. Nothing contained herein shall be deemed to create, and the parties do not intend to create, any relationship of partners, joint venturers or agents, as between Affiliate and Broadcaster, and neither party is authorized to or shall act toward third parties or the public in any manner that would indicate any such relationship with the other. Broadcaster disclaims any present or future right, interest or estate in or to the transmission facilities of Affiliate and any affiliate of Affiliate and the parents, subsidiaries, partnerships or joint venturers controlling the Systems on which the Service is transmitted, such disclaimer being to acknowledge that neither Affiliate nor the transmission facilities of the Systems (nor the owners thereof) are common carriers. In addition, nothing contained herein shall be deemed to grant Affiliate any attributable ownership interest in the entity that owns or controls the Service.

(c) Affiliate Favorable Terms.

(i) Broadcaster agrees that if it gives, or has given, to any third party (A) any marketing or advertising support or reimbursements, launch support or reimbursements, free or discounted marketing materials or any other support, credits, reimbursements, rebates, contributions, adjustments or incentives related to the marketing of the Service, whether given directly or indirectly to such third party, or (B) any other economic or non-economic term, provision, covenant or consideration (e.g., without limitation, retransmission consent in connection with the launch of the Service), that are or is more favorable to such third party than Affiliate is receiving hereunder ((A) and (B) above,

individually and collectively, shall be referred to herein as "More Favorable Provision"), Broadcaster will promptly offer such More Favorable Provision to Affiliate for the same amount of time that such More Favorable Provision is or was available to such third party. A More Favorable Provision shall include any pertinent term, provision, covenant or consideration, regardless of whether there is a term, provision, covenant or consideration concerning the subject matter of such More Favorable Provision in this Agreement or whether such term, provision, covenant or consideration relates to such third party's entire subscriber base or less than the entire base (e.g., a More Favorable Provision relating to a "test" or "sample" group of subscribers).

(ii) For purposes of this Section 13(e), the evaluation of whether a provision is a More Favorable Provision shall include all economic and non-economic terms and provisions of an agreement that involve financial or other outlays (excluding contingent liabilities) by either party for the benefit of the other, or that involve direct or indirect consideration paid by either party to the other, such as discounts, credits, adjustments of any kind, including, without limitation, reimbursements, channel position fees, discounts, credits or rebates, pre-payment of loans, deductions for uncollected accounts, incentives, cash payments (whether conditional or not), sales or leases of equipment, studio facility discounts, payment terms and other financing terms; furthermore, the actual number of subscribers to the Service (rather than projected or expected subscribers or the number of such third party's subscribers who are not actually subscribers to the Service) will be considered.

(iii) Broadcaster agrees to provide to Affiliate a written certification on each annual anniversary date of this Agreement, signed by a duly authorized officer of Broadcaster, stating that Broadcaster has satisfied its obligations under this Section 13(e).

(c) Broadcaster Favorable Terms. Affiliate agrees that if (i) it accepts from any other broadcaster that is distributing the Service a revenue-sharing arrangement that is lower than the Affiliate Share, and (ii) there are no other material inducements in Affiliate's agreement with such other broadcaster that would warrant a lower revenue-sharing arrangement, then Affiliate shall promptly notify Broadcaster and Affiliate Share shall thereafter mean the lower share of revenue that Affiliate has accepted from such other broadcaster.

(d) Retransmission Consent. Broadcaster agrees that if any of Broadcaster's local broadcast television stations do not grant the right (either through must-carry or retransmission consent) to transmit the broadcast television signals of such local broadcast television stations on the Cable Systems currently carrying such signals, then Affiliate shall have the right, commencing on the date any such signal

ceases to be carried, at Affiliate's option and upon notice to Broadcaster, to require the Executive Committee or its designee (other than Broadcaster or an affiliate of Broadcaster) to assume the management of advertising on, and all other activities relating to, the Service in the affected System(s), and Affiliate shall receive Broadcaster's percentage share multiplied by gross revenues attributable to the distribution of the Service on the affected Systems, net of reasonable sales and operational costs for such sales, during the period such broadcast signal is not carried. In addition, during the period such broadcast signal is not carried, Affiliate shall have the right to approval the dissemination of all Local Programming, if any.

(e) Severability. The invalidity under applicable law of any provision of this Agreement shall not affect the validity of any other provision of this Agreement, and in the event that any provision hereof is determined to be invalid or otherwise illegal, this Agreement shall remain effective and shall be construed in accordance with its terms as if the invalid or illegal provision were not contained herein; provided, however, that both parties shall negotiate in good faith with respect to an equitable modification of the provision, or application thereof, held to be invalid and provisions logically related thereto.

(f) No Inference Against Author. Broadcaster and Affiliate each acknowledge that this Agreement was fully negotiated by the parties and, therefore, no provision of this Agreement shall be interpreted against any party because such party or its legal representative drafted such provision.

(g) No Third Party Beneficiaries. The provisions of this Agreement are for the exclusive benefit of the parties hereto and their permitted assigns, and no third party shall be a beneficiary of, or have any rights by virtue of, this Agreement.

(h) Headings. The titles and headings of the sections in this Agreement are for convenience only and shall not in any way affect the interpretation of this Agreement.

(i) Non-Recourse. Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that each and every representation, warranty, covenant, undertaking and agreement made in this Agreement was not made or intended to be made as a personal representation, undertaking, warranty, covenant, or agreement on the part of any incorporator, stockholder, director, officer, partner, employee or agent, past, present or future, or any of them, and any recourse, whether in common law, in equity, by statute or otherwise, against any of them is hereby forever waived and released.

(j) Taxes. Either party, if required by applicable law, shall have the right to withhold any portion of any amounts payable by it to the other party, and to pay any such amounts over to any appropriate governmental authority. Broadcaster and Affiliate shall provide such assistance as is necessary to enable the other party to discharge its obligation to withhold and/or pay taxes on Broadcaster's or Affiliate's

individually and collectively, shall be referred to herein as "More Favorable Provision"), Broadcaster will promptly offer such More Favorable Provision to Affiliate for the same amount of time that such More Favorable Provision is or was available to such third party. A More Favorable Provision shall include any pertinent term, provision, covenant or consideration, regardless of whether there is a term, provision, covenant or consideration concerning the subject matter of such More Favorable Provision in this Agreement or whether such term, provision, covenant or consideration relates to such third party's entire subscriber base or less than the entire base (e.g., a More Favorable Provision relating to a "test" or "sample" group of subscribers).

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(iii) Broadcaster agrees to provide to Affiliate a written certification on each annual anniversary date of this Agreement, signed by a duly authorized officer of Broadcaster, stating that Broadcaster has satisfied its obligations under this Section 13(e).

(c) Broadcaster Favorable Terms. Affiliate agrees that if (i) it accepts from any other broadcaster that is distributing the Service a revenue-sharing arrangement that is lower than the Affiliate Share, and (ii) there are no other material inducements in Affiliate's agreement with such other broadcaster that would warrant a lower revenue-sharing arrangement, then Affiliate shall promptly notify Broadcaster and Affiliate Share shall thereafter mean the lower share of revenue that Affiliate has accepted from such other broadcaster.

(d) Retransmission Consent. Broadcaster agrees that if any of Broadcaster's local broadcast television stations do not grant the right (either through must-carry or retransmission consent) to transmit the broadcast television signals of such local broadcast television stations on the Cable Systems currently carrying such signals, then Affiliate shall have the right, commencing on the date any such signal

ceases to be carried, at Affiliate's option and upon notice to Broadcaster, to require the Executive Committee or its designee (other than Broadcaster or an affiliate of Broadcaster) to assume the management of advertising on, and all other activities relating to, the Service in the affected System(s), and Affiliate shall receive Broadcaster's percentage share multiplied by gross revenues attributable to the distribution of the Service on the affected Systems, net of reasonable sales and operational costs for such sales, during the period such broadcast signal is not carried. In addition, during the period such broadcast signal is not carried, Affiliate shall have the right to approval the dissemination of all Local Programming, if any.

(e) Severability. The invalidity under applicable law of any provision of this Agreement shall not affect the validity of any other provision of this Agreement, and in the event that any provision hereof is determined to be invalid or otherwise illegal, this Agreement shall remain effective and shall be construed in accordance with its terms as if the invalid or illegal provision were not contained herein; provided, however, that both parties shall negotiate in good faith with respect to an equitable modification of the provision, or application thereof, held to be invalid and provisions logically related thereto.

(f) No Inference Against Author. Broadcaster and Affiliate each acknowledge that this Agreement was fully negotiated by the parties and, therefore, no provision of this Agreement shall be interpreted against any party because such party or its legal representative drafted such provision.

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(h) Headings. The titles and headings of the sections in this Agreement are for convenience only and shall not in any way affect the interpretation of this Agreement.

(i) Non-Recourse. Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the parties hereto that each and every representation, warranty, covenant, undertaking and agreement made in this Agreement was not made or intended to be made as a personal representation, undertaking, warranty, covenant, or agreement on the part of any incorporator, stockholder, director, officer, partner, employee or agent, past, present or future, or any of them, and any recourse, whether in common law, in equity, by statute or otherwise, against any of them is hereby forever waived and released.

(j) Taxes. Either party, if required by applicable law, shall have the right to withhold any portion of any amounts payable by it to the other party, and to pay any such amounts over to any appropriate governmental authority. Broadcaster and Affiliate shall provide such assistance as is necessary to enable the other party to discharge its obligation to withhold and/or pay taxes on Broadcaster's or Affiliate's

behalf, as the case may be. Each party shall indemnify, defend and forever hold harmless the other party and its respective affiliates from and against any and all Losses arising directly or indirectly out of any tax or other amount withheld, paid or otherwise collected by either party hereto on the other's behalf, or owed or paid by either party to any governmental entity.

(j) Performance of Certain Obligations. The ability of Broadcaster to provide to Affiliate the aspects of the Service set forth in this Section 13(n) is based upon certain undertakings of a third party (the "Indemnitor") from whom Broadcaster acquired the exclusive right to disseminate certain programming to be included in the Service on a non-broadcast basis in the Television Markets that comprise the Territory. In the event Broadcaster fails to perform or breaches any of the following obligations or undertakings: (i) the obligation to pay all costs and liabilities relating to the delivery, installation, maintenance and repair of the Headend Equipment described in Section 3(e) hereof, (ii) the closed captioning obligations set forth in Section 3(k) hereof, (iii) the obligation to deliver an encrypted signal, including the purchase, installation, maintenance and operation of a network-in-a-box system, as set forth in Section 4(a) hereof, (iv) the obligation to reimburse the Systems for the cost of equipment necessary to receive and utilize the signal of the Service following any of the changes set forth in subsections (i) through (iii) of Section 4(a) hereof, and (v) the representation of compliance of the Service with the Children's Television Regulations, Origination Cablecasting Regulations and Closed Captioning Regulations set forth in Section 8(c) hereof, then (A) Affiliate shall have no cause of action against Broadcaster or right to terminate this Agreement (except with respect to breaches relating to Local Programming) as a result of such failure; (B) Affiliate shall be excused from its performance under this Agreement; provided, however, that if Broadcaster's failure is confined to a System or a limited number of Systems, then Affiliate shall only be excused from performance with respect to such System or Systems; and (C) Broadcaster will assign its rights (and hereby covenants and represents to Affiliate that it has such rights to assign) to sue the Indemnitor for non-performance of any one or more of the foregoing obligations.

The parties hereto have executed this Agreement as of the date first above written.

AFFILIATE:

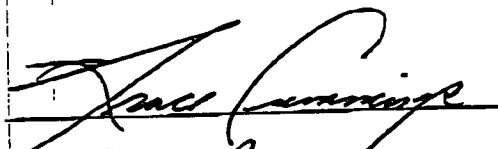
By: _____

Title: _____

BROADCASTER:

By: _____

Title: _____


James Cunningham
Gen Mgr

- SCHEDULE 1

To Affiliation Agreement By and Between

KULR Corp, L.L.C. and

Satellite Services, Inc.

Dated 8/17, 1998

SYSTEMS

EXHIBIT A

To Affiliation Agreement By and Between

KULR Corp., L.L.C. and

Satellite Services, Inc.

Dated 8/17, 1998

SYSTEM QUALIFICATIONS

I. Affiliate represents and warrants the following regarding each System:

1. that either (a) Tele-Communications, Inc., Liberty Media Corporation or any person or entity under common control with, controlling or controlled by Tele-Communications, Inc. or Liberty Media Corporation (the "Control Group") (Tele-Communications, Inc., Liberty Media Corporation and the Control Group shall be hereinafter referred to as the "TCI Group"; any reference to the TCI Group herein shall be deemed to be a reference to either Tele-Communications, Inc., Liberty Media Corporation or the Control Group or any combination thereof as is necessary to qualify the greatest number of television distribution facilities hereunder) or its nominee owns, directly or indirectly, at least a twenty-five percent (25%) interest in the general manager of the System pursuant to a valid written agreement in full force and effect; or (b) the TCI Group or its nominee owns, directly or indirectly, a ten percent (10%) interest in such System or owns an interest or obligation by which the TCI Group, directly or indirectly, owns a right (whether conditional or not) to convert into or acquire, directly or indirectly, an interest equal to at least the required interest. An "indirect" ownership is an interest resulting from ownership through any series of ownership interests, including corporations, partnerships, joint ventures or other forms of business organizations; an indirect interest shall be quantified in amount by a series of percentage multiplications commencing with the TCI Group's direct interest and multiplying that by the next most proximate percentage interest and, then, multiplying in turn each succeeding ownership interest in the order of their progression away from the TCI Group by the result of the immediately preceding multiplication until the most distant percentage interest is multiplied;

2. that Affiliate or an agent has been authorized, pursuant to a valid written agreement in full force and effect, to make and execute decisions on behalf of each such System with respect to the Service, and Affiliate continues throughout the Term to exercise such authority with respect to matters affecting the distribution of the Service by such System; and

3. that either a franchise or license is not required or a valid franchise or license is in effect through the Term or the franchisee or licensee has held a valid Cable television franchise or license and continues to operate in the franchise or license area under a claim of right or is otherwise lawfully operating or franchisee or licensee has held a valid Cable franchise or license and is continuing to operate while diligently pursuing, in good faith, its available judicial remedies. For the above purposes, in the event a franchise or license expires before the end of the Term, such franchise or license shall be deemed valid for so long as franchisee or licensee is negotiating in good faith with the franchising or licensing authority for a franchise or license renewal.

II In the event the TCI Group's direct or indirect equity interest in a System or in the entity managing such System decreases below the level required under Paragraph I hereof, and provided the TCI Group's interest does not decrease to zero, such System shall continue to qualify under Paragraph I hereof; provided, however, the TCI Group's interest in such System shall increase to the level required under Paragraph I hereof within eighteen (18) months of the decrease.

III. In the event Affiliate, or any of the entities that owns or manages systems or enterprises that qualify hereunder, effects a corporate separation, reorganization or restructuring (including, without limitation, by a distribution of stock, or other assets or rights, to its shareholders, partners or joint venturers), the systems or enterprises of the entity resulting from such transaction (including all interim and supporting entities) and/or all of such resulting entities, in the aggregate, will qualify under Paragraph I hereof, so as to continue to qualify to distribute the Service under the terms and conditions hereof, as if such separation, reorganization or other restructuring had not occurred.

EXHIBIT B

To Affiliation Agreement By and Between

KULR Corp, L.L.C. and

Satellite Services, Inc.

Dated 8/17, 1998

PROGRAM SCHEDULE

EXHIBIT C

To Affiliation Agreement By and Between

KULR Corp., LLC and

Satellite Services, Inc.

Dated as of 8/17, 1998

Billings
Cody
Greybull
Miles City
Powell

EXHIBIT D

To Affiliation Agreement By and Between

KULR Corp, L.L.C. and

Satellite Services, Inc.

Dated as of 8/17, 1998

MSO LIST REQUIRED BY SECTION 1(e)

See attached.

February 10, 1997

PRIMARY TELEVISION AFFILIATION AGREEMENT

KFBB, LLC

TELEVISION STATION: KFBB - Great Falls, Montana

Gentlemen:

The following shall constitute the agreement between American Broadcasting Companies, Inc. ("ABC" or "we") and KFBB Corporation ("you"), in order that your station may continue to serve the public interest, convenience and necessity. We and you hereby mutually agree upon the following plan of network cooperation which shall replace the affiliation agreement between you and us dated July 14, 1989, as amended.

I. NETWORK AFFILIATION AND PROGRAM SERVICE

A. PRIMARY AFFILIATION. You agree to serve as our primary affiliate to broadcast Network Television Programs, in the community to which your station is licensed by the Federal Communications Commission, subject to the conditions and limitations set forth herein. As used in this Agreement, Network Television Programs means television programs which are part of the network schedule for the then current September to September television season, broadcast on a national television basis and in the time period established for such broadcast by ABC. (Network Television Programs will also be referred to herein as "network programs," "television programs," "programs" or "programming" or in the singular of such terms.)

B. FIRST CALL RIGHTS. To enable you to serve as our primary affiliate, we agree to offer you first call on the right to broadcast Network Television Programs, in the time period established by ABC for their broadcast, in the community to which your station is licensed by the Federal Communications Commission ("First Call Rights"), for reception by the general public in places to which no admission is charged. Notwithstanding the foregoing, ABC shall have the right to authorize any television broadcasting station, regardless of the community to which it is licensed by the FCC, to broadcast any network presentation of a subject we deem to be of immediate national significance including, but not limited to, a Presidential address.

1. You agree that, within 15 days of the date of our offer of a First Call Right to a regularly scheduled network program, you will advise us of your acceptance (if requested to do so by the terms of our offer) or rejection. With respect to any network program not regularly scheduled, you will advise us of your acceptance or rejection of our offer of a First Call Right within 72 hours (exclusive of Saturdays, Sundays and holidays) after such offer has been received at your station. However, if the first broadcast referred to in our offer is scheduled to occur within less than 15 days after the date of our offer with respect to regularly scheduled network programs or less than 72 hours after our offer has been received at your station with respect to network programs not regularly scheduled, you shall notify us of your acceptance or rejection of such offer as promptly as possible, but in no event after the first broadcast time specified in such offer. Acceptance by you of our offer of a First Call Right shall constitute your agreement to broadcast subject network program in accordance with the terms of this Agreement and of our offer to you. As an ABC primary affiliate, you are obligated to accept the substantial majority of the ABC network programs offered to you. Your failure to do so shall constitute a material breach of this Agreement entitling ABC, in addition to all other remedies, to terminate this Agreement on fourteen (14) days written notice to you.

2. You will be offered "First Call Rights" with respect to:

- a. Network Sponsored Programs. "Network sponsored programs", as used in this Agreement, shall mean those Network Television Programs which contain one or more commercial announcements paid for by or on behalf of one or more ABC Network advertisers.

You agree to broadcast network sponsored programs in their entirety, including but not limited to the network commercial announcements ordered for your station, network identifications, program promotional material or credit announcements contained in such programs which you accept, without interruption or deletion or addition of any kind. Notwithstanding the foregoing, you may substitute other ABC Network promotional announcements in lieu of program promotional material which is inaccurate as it pertains to your station. It is also understood that no commercial announcement, promotional announcement or public service announcement will be broadcast by you during any interval within a network program designated by ABC as being for the

sole purpose of making a station identification announcement.

b. Network Sustaining, Cooperative and Spot Carrier Programs.

i) We will from time to time offer you live or recorded Network Television Programs identified as sustaining programs, cooperative programs or spot carrier programs. Except as set forth below in subparagraphs (ii) and (iii), you agree to broadcast such programs which you accept in their entirety without interruption or deletion or addition of any kind.

ii) The network sustaining programs which we may offer to you may not, without our prior written consent, be sold by your station for commercial sponsorship or interrupted for commercial announcements or used for any purpose other than sustaining broadcasting.

iii) You may carry the cooperative or spot carrier programs on the same basis as regular sustaining programs or you may offer them for commercial sponsorship on terms and conditions specified by us at the time such programs are offered to you.

c. PROGRAM DELIVERY. By means satisfactory to us, we will arrange, at our own expense, for programs to be delivered to your station.

II. TERM

A. This agreement shall become effective at 3:00 AM, NYT, on the 4th day of November, 1996, and shall continue until 3:00 AM, NYT, on the 4th day of November, 2006.

B. In the event that we or any of our parent, affiliated, subsidiary or related companies or other related entities acquires an ownership and/or controlling interest in any television broadcast station licensed to any community within KFBB's television market, then we shall have the right to terminate this Agreement, upon not less than one hundred twenty (120) days notice to you. Said termination shall be effective as of such date as we shall designate in said notice.

III. NETWORK STATION COMPENSATION

Your compensation will be determined by the formula set forth in Schedule A attached hereto and made a part hereof.

A. Your network station rate, the table of daypart percentages and the network weekly deduction set forth in Schedule A (respectively, the "Original Network Station Rate," the "Original Percentages" and the "Original Network Deduction") shall be used to calculate your compensation provided that the following conditions are satisfied:

1. Your station will maintain the same level of clearances of ABC network programs as it did during the 1995-96 television season (i.e., the last quarter of 1995 and the first three quarters of 1996) (the "1995-96 season"). In addition, your station will clear Politically Incorrect on a "live" basis effective with the program's premiere on January 6, 1997.
2. Your station's preemption levels for network programming during any calendar year of this Agreement or any pro rata portion thereof will not exceed fifty (50) half-hours.
3. Nightline will be cleared on a "live" basis.

B. 1. If you fail to satisfy any of the conditions set forth in paragraph A of this Section, and we give you written notice of such failure, you shall have ninety (90) days from receipt of such notice to return to complying fully with such conditions. If at the end of such ninety (90) day period, you fail to return to complying fully with such conditions, in addition to the remedy set out in paragraph C of this Section, we will have the right then and periodically thereafter to reevaluate and change (a) your station's network station rate, (b) the percentages set forth in the Table in Schedule A, or (c) your station's network weekly deduction, by notice to you in writing to such effect. If the effect of such changes, alone or in combination with any other previous such changes, would be to decrease your annual network compensation under Schedule A, using the Original Network Station Rate, the Original Percentages and the Original Network Deduction, by more than 25%, you may, if you so elect, terminate this Agreement by giving us prior written notification within forty-five (45) days after the date of our notice to you, provided that such termination will not be effective less than one hundred twenty (120) days after your notice is received by us.

2. If after your compensation has been reduced in accordance with paragraph B(1) of this Section, you thereafter return to complying fully with all of the conditions set forth in paragraph A of this Section, your compensation will (subject to the rights reserved to us under paragraphs B(1) and C of this Section) be calculated by

using the Original Network Station Rate, the Original Percentages and the Original Network Deduction.

C. If you fail at any time to satisfy any of the conditions set forth in paragraph A of this Section, and we give you written notice of such failure, you shall have ninety (90) days from receipt of such notice to return to complying fully with such conditions. If by the end of such ninety (90) day period, you fail to return to complying fully with such conditions, we shall have the right, in our sole discretion, in addition to the remedy set forth in paragraph B of this Section, to terminate this Agreement upon no less than two hundred seventy (270) days written notice to you.

IV. NETWORK NON-DUPLICATION PROTECTION

You shall be entitled to network non-duplication protection provided as and to the extent set forth in Rider One to this Agreement, which is attached hereto and made a part hereof.

V. CUT-IN ANNOUNCEMENTS AND LOCAL TAG SERVICES

A. CUT-IN ANNOUNCEMENTS. "Cut-In Announcements", as used herein, shall mean the substitution of a special commercial in place of a regularly scheduled network commercial.

1. Upon at least twenty-four (24) hours' notice, you shall, at our request, furnish such personnel and equipment as may be necessary to (a) broadcast cut-in announcements from your station alone, or (b) originate from your station cut-in announcements to one or more other stations, without regard to whether or not your station is requested to broadcast said cut-in announcement(s). Notwithstanding anything contained in this Agreement, you may refuse to broadcast any such cut-in announcement in the community to which your station is licensed by the FCC if, in your opinion, it is not in the public interest, convenience or necessity, but you shall nevertheless furnish such personnel and equipment as may be necessary to originate such cut-in announcement(s) from your station to one or more other stations.

2. Cut-in announcements shall be broadcast only when authorized by us and then only in accordance with the instructions furnished to you. You will be supplied, as promptly as possible, with the material and instructions for these announcements.

3. We may cancel any order for cut-in announcements without liability on our part, provided we do so upon not less than twenty-four (24) hours' notice to you, failing which, we will pay you the compensation you would have received if the

announcement(s) had continued as scheduled for twenty-four (24) hours following receipt by you of such notice of cancellation.

4. For each program during which such cut-in announcements are included, we shall pay you in accordance with the applicable table set forth in Schedule B hereto and hereby made a part hereof.

B. LOCAL TAG SERVICES. "Local Tag Announcements", as used herein, shall mean a visual commercial announcement, made by you on behalf of a local dealer of a network advertiser, not exceeding ten seconds of a one-minute network commercial announcement or five seconds of a thirty-second network commercial announcement projected by means of a character generator or other comparable equipment and not utilizing more than one (1) page.

1. Upon at least twenty-four (24) hours' notice, you shall, at our request, furnish such personnel and equipment as may be necessary to broadcast "local tag announcements".

2. Local tag announcements shall be broadcast in accordance with our instructions. The network advertiser shall supply to you, as promptly as possible, the precise and complete information for each local tag announcement. Local tag announcements shall not be accompanied by oral announcements unless the network advertiser shall make direct requests of you therefor and shall have assumed sole responsibility for payment of such oral announcements.

3. We may cancel any order for local tag announcements without liability on our part provided we do so upon not less than twenty-four (24) hours' notice to you, failing which we will pay you the compensation you would have received if the local tag announcement(s) had continued as scheduled for twenty-four (24) hours following receipt by you of such notice of cancellation.

4. For each local tag announcement which you broadcast, we shall compensate you in accordance with the applicable table set forth in Schedule B hereto and hereby made a part hereof.

VI. GENERAL

A. We may at any time, upon notice to you, substitute for any scheduled network program another network program, except that if such other network program in our judgment involves a special event of public interest or importance, no such notice is required. No compensation will be paid to you for the scheduled program or for the substitute program unless such substitute program is a network sponsored program in which event you shall be compensated in accordance with the terms or formula, whichever is applicable, set forth in Schedule A hereof.

B. Nothing contained in this Agreement shall be construed to prevent or hinder us, at any time upon notice to you as soon as practicable, from cancelling one or more network programs, whether sponsored or sustaining, in which event you shall receive no compensation for any such canceled network sponsored program(s).

C. With respect to network programs offered or already accepted pursuant to this Agreement, nothing herein contained shall be construed to prevent or hinder you from exercising your rights under Federal Communications Commission rules to:

a) reject or refuse network programs which you reasonably believe to be unsatisfactory, unsuitable or contrary to the public interest; or

b) substitute a program, which in your good faith opinion, is of greater local or national importance.

We shall not compensate you for any such program you have refused or rejected or for which you have substituted a program which is of greater local or national importance. With respect to programs already accepted hereunder, you shall give us prompt notice of any such refusal, rejection or substitution no later than fourteen (14) days prior to the air date of such programming, except where the nature of the substitute program makes such notice impracticable (e.g., coverage of breaking news or other unscheduled events), in which case you agree to give us as much advance notice as possible under the circumstances. Such notice shall include a statement of the reason(s) you believe that a rejected or refused network program is unsatisfactory, unsuitable or contrary to the public interest, and/or that a substituted program is of greater local or national importance.

In addition to all other remedies, we shall have the right, upon thirty (30) days' notice, to terminate your "First Call Rights" on any series of Network programs already accepted hereunder and withdraw all future episodes of that series if one or more individual program episode(s) is pre-empted by you for any reason other than those set forth in (a) and (b) above.

We shall also have the right, upon thirty (30) days' notice, to terminate your "First Call Rights" concerning any series of Network programs already accepted hereunder and to withdraw all future episodes of that series if three or more individual program episodes are pre-empted by you in any thirteen-week period, whether or not such pre-emptions are for the reasons set forth in (a) and (b) above. Such thirteen-week periods shall be measured consecutively from the first broadcast date of the program series in question.

We reserve the right not to offer you the "First Call Rights" for the next broadcast season on any series of Network program as to which we have terminated your "First Call Rights" and withdrawn future episodes of that series pursuant to this Paragraph and which has been placed by ABC on another station serving your market.

D. You will submit to us in writing, upon forms provided by us for that purpose, such reports covering network programs broadcast by your station as ABC may request from time to time. To verify your carriage of network commercial announcements, identifications and program promotional material, we may require delivery by you, within five (5) days of our request, copies of your official station logs, air checks or broadcast tapes, to the extent these materials are maintained by the station.

E. Neither you nor we shall incur any liability hereunder because of our failure to deliver, or your failure to broadcast, any or all network programs due to:

- (a) failure of facilities
- (b) labor disputes, or
- (c) causes beyond the control of the party so failing to deliver or broadcast.

F. You agree to notify us of any application made to the Federal Communications Commission to modify your station's transmitter location, power, frequency or hours of operation within ten (10) days of the filing of such application. In the event that the transmitter location, power, frequency or hours of operation of your station are changed at any time so that your station is of less value to us as a network outlet than it is as of the effective date of this agreement, including but not limited to, as a result of additional overlap of your station's broadcast signal with that of another ABC affiliate, we will have the right to terminate this Agreement upon thirty (30) days' advance written notice.

G. Except upon our prior written consent, you agree that your station will not enter into any local marketing or time brokerage agreement whereby another television station supplies programming to your station. If you enter into such an agreement without our written consent, we shall have the right to terminate this Agreement upon fourteen (14) day's notice to you.

H. Unless we exercise our right of termination set forth in this paragraph, this Agreement shall be binding on any assignee or transferee of your station's license. We reserve the right to object to any assignee or transferee and you agree not to assign or to transfer your station's license or any of the rights or privileges granted to you under this Agreement without our prior consent in

writing. You also agree that if any application is made to the Federal Communications Commission pertaining to an assignment or a transfer of control of your license, or any interest therein, you shall notify us in writing immediately of the filing of such application. Except as to assignments or transfers of control comprehended by Section 73.3540(f) of the Rules and Regulations of the Federal Communications Commission, we shall have the unilateral right to terminate this Agreement effective as of the effective date of any assignment or transfer of control (voluntary or involuntary) of your license or any interest therein, provided ABC shall have given you notice in writing of such termination within thirty (30) days after we have been advised that such application for assignment or transfer has been filed with the Federal Communications Commission. If you fail to notify us of the assignment or transfer of control of your station's license, we shall have the unilateral right, as a non-exclusive remedy, to terminate this Agreement within thirty (30) days of receiving notice of said assignment or transfer or control.

You agree that you shall not consummate any assignment or transfer of control of your station's license until you have procured and delivered to us, in form satisfactory to us, the acknowledgment of the proposed assignee or transferee that, upon consummation of the assignment or transfer of control of your station's license, the assignee or transferee will assume and perform this Agreement in its entirety without limitation of any kind. You agree that in view of the uniqueness of the plan of network cooperation set forth in this Agreement and the fact that money damages would be inadequate to compensate ABC for the breach of your obligations hereunder, in addition to all other remedies, ABC shall be entitled to obtain equitable relief to enforce the obligations set forth in this paragraph.

I. Your rights under this Agreement are limited to the First Call Rights to Network Television Programs pursuant to the terms herein. You agree not to authorize, cause, permit or enable the use of any program which we supply to you herein for any purpose other than broadcasting by your station pursuant to the terms herein, in the community to which your station is licensed by the Federal Communications Commission, for reception by the general public in places to which no admission is charged. You agree when you are authorized to tape a program for subsequent broadcast that the recording will be broadcast not more than once in its entirety and will be erased within six (6) hours of use. All rights not specifically granted to you by this Agreement shall be retained by ABC.

J. Except with our prior written consent and except upon such terms and conditions as we may impose, you agree not to authorize, cause, permit or enable anything to be done whereby a recording on film, tape or otherwise is made or a recording is broadcast, of a

program which has been, or is being, broadcast on our network, or a rebroadcast is made of the broadcast transmission of your station during any hours when your station is broadcasting a program provided by ABC.

K. With respect to any and all promotional material issued by you or under your direction or control, you agree to abide by any and all restrictions of which we advise you pertaining to the promotion of a network program(s) scheduled to be broadcast by you in your community, including, but without limitation, on-the-air promotion, billboards, and newspaper or other printed advertisements, announcements or promotions.

L. You agree to maintain for your television station such licenses, including performing rights licenses as now are or hereafter may be in general use by television broadcasting stations and necessary for you to broadcast the television programs which we furnish to you hereunder. We will clear all music in the repertory of ASCAP and of BMI used in our network programs, thereby licensing the broadcasting of such music in such programs over your station. You will be responsible for all music license requirements for any commercial or other material inserted by you within or adjacent to our network programs in accordance with this agreement.

M. The furnishing of film or tape recorded programs hereunder is contingent upon our ability to make arrangements satisfactory to us for the film or tape recordings necessary to deliver the programs to you. Such film or tape recorded programs shall be used only for a single television broadcast over your station. Positive prints of film or tape recorded programs are to be shipped by us, shipping charges prepaid, and you agree to return to us or to forward to such television station as we designate, shipping charges prepaid, each print or copy of said film or tape recording received by you hereunder, together with the original reels and containers furnished therewith. You will return or forward all prints in the same condition as received by you, ordinary wear and tear excepted, immediately after a single TV broadcast over your station. In the event you damage a print of any film or tape recorded program which is delivered to you, or fail to return or forward the original reels and containers furnished therewith, as aforesaid, you agree to pay the cost of replacing the complete print, original reels and/or containers as and when billed by us.

N. No inducements, representations or warranties except as specifically set forth herein have been made by any of the parties to this Agreement. This Agreement constitutes the entire contract between the parties hereto and no provision thereof shall be changed or modified, nor shall this Agreement be discharged in whole or in part, except by an agreement in writing, signed by the party against

whom the change, modification or discharge is claimed or sought to be enforced; nor shall any waiver of any of the conditions or provisions of this Agreement be effective and binding unless such waiver shall be in writing and signed by the party against whom the waiver is asserted, and no waiver of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or of any other provision.

O. All notices, demands, requests or other communications which may be or are required to be given or made by ABC or you pursuant to this Agreement (except for our program offers and your notices of acceptance or rejection, if required, of such offers and any other program information or program administration communications) shall be delivered (postage or fee prepaid) by first-class mail, express mail, express delivery service or by facsimile transmission addressed as follows:

(a) If to you:

Mr. Jack May
General Manager
KFBB
P.O. Box 1139
Great Falls, Montana 59403
Phone: 406-453-4377
Fax: 406-727-9703

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

Mr. Stan Whitman
President
MDM Broadcasting, LLC
P.O. Box 80810
Billings, Montana 59108-0810
Phone: 406-656-8000
Fax: 406-656-8207

(b) If to ABC:

John Rouse
Senior Vice President
Affiliate Relations
ABC Television Network
77 West 66 Street, 2nd Floor
New York, NY 10023-6298

Phone: 212-456-6493
Fax: 212-456-2415

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

Roger Goodspeed, Esq.
Capital Cities/ABC, Inc.
Law & Regulation Department
77 West 66 Street, 16th Floor
New York, NY 10023-6298

Phone: 212-456-7593
Fax: 212-456-6202

or to such other person, address or facsimile number as you or ABC may designate by written notice.

P. This Agreement and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of action), shall be governed by and construed in accordance with the laws of the State of New York, notwithstanding conflict-of-laws doctrines of any state or other jurisdictions to the contrary.

Q. Upon termination of this Agreement, the consent theretofore granted to broadcast our network programs or use ABC logos or trademarks shall be deemed immediately withdrawn and you shall have no further rights of any nature whatsoever in such programs, logos or trademarks.

R. You acknowledge that, in view of the uniqueness of the plan of network cooperation set forth in this Agreement, in the event that your obligations under this Agreement are not performed in accordance with its terms, ABC would not have an adequate remedy at law and therefore agree that ABC shall be entitled to specific performance of the terms hereof in addition to any other remedy to which it may be entitled at law or in equity.

S. You agree to indemnify and hold ABC and its parent corporation, subsidiaries and their respective officers, directors, agents and employees, successors and assigns harmless from and against any and all claims made against us and all damages, liabilities, costs and expenses incurred as a result of such claims, including reasonable attorney's fees, arising out of the broadcast by ABC of any material supplied by you to ABC in accordance with this Agreement, and we agree to indemnify and hold you harmless from and against any and all claims made against you and all damages, liabilities, costs and expenses incurred as a result of such claims, including reasonable attorney's fees, arising out of the broadcast by you of any material provided by ABC to you in accordance with this Agreement. It is understood that

the foregoing indemnities shall apply only with respect to materials that are broadcast without change from the form and content in which such materials were originally provided and in strict conformance to any instructions or limitations given by the party providing the material. Each party will notify the other promptly of any litigation or claim to which such indemnity applies and will cooperate fully in the defense at the other party's request. The provisions of this paragraph shall survive the expiration or sooner termination of this Agreement.

T. Nothing in this Agreement shall create any partnership, association, joint venture, fiduciary or agency relationship between ABC and you.

If, after examination, you find that the arrangement herein proposed is satisfactory to you, please indicate your acceptance on the copy of this letter enclosed for that purpose and return that copy to us.

Very sincerely yours,

AMERICAN BROADCASTING COMPANIES, INC.

By: _____

Accepted this 12th day of
February, 1997

Licensee: KFBB, LLC

By: Stan Whitman

Name: Stan Whitman

Title: President

RIDER ONE

You shall be entitled to network non-duplication protection, as defined by Rule 76.92 of the Federal Communications Commission Rules, as follows:

a. The geographic zone of network non-duplication protection shall be the Area of Dominant Influence ("ADI") (as defined by Arbitron) or the Designated Market Area ("DMA") (as defined by Nielsen) in which your station is located, or any lesser zone pursuant to any geographic restrictions contained in the Federal Communications Commission rules and regulations, now or as subsequently modified.

b. Network non-duplication protection shall extend to all ABC television network programs that you broadcast in accordance with this Agreement. Protection shall not extend to individually pre-empted programs of an otherwise cleared series.

c. Network non-duplication protection shall begin 48 hours prior to the live time period designated by us for broadcast of that network program by your station, and shall end at 12:00 Midnight on the seventh day following that designated time period.

You are under no obligation to exercise in whole or in part the network non-duplication rights granted under this Agreement.

SCHEDULE ASTATION COMPENSATION

(a) We will pay you within a reasonable period of time after the close of each four or five week accounting period, as the case may be, for broadcasting each network sponsored program or portion thereof hereunder, except those specified in paragraph (b) hereof, which is broadcast over your station during the live time period* therefor, the amount resulting from multiplying the following:

- (i) Your network station rate of:
 - (a) \$575 effective November 4, 1996
 - (b) \$650 effective January 1, 1998 through the remainder of Agreement or such other rate applicable pursuant to the terms of Section III of the Agreement; by
- (ii) the percentage set forth in the table below opposite such applicable time period or such other percentage applicable pursuant to the terms of Section III of the Agreement; by
- (iii) the fraction of an hour substantially occupied by such program or portion thereof; by
- (iv) the fraction of the aggregate length of all commercial availabilities** during such program or portion thereof occupied by network commercial announcements***.

* Live time period, as used herein, means the time period or periods as specified by us in our initial offer of a network program for the broadcast of such program over your station.

** Commercial availability, as used herein, means a period of time made available by us during a network sponsored program for one or more network commercial announcements or local cooperative commercial announcements.

*** Network commercial announcement, as used herein, means a commercial announcement broadcast over your station during a commercial availability and paid for by or on behalf of one or more of our network advertisers, not including, however, announcements consisting of billboards, credits, public service announcements, promotional announcements, and announcements required by law.

For each network sponsored program or portion thereof, except those specified in paragraph (b) hereof, which is broadcast by your station with our consent during a time period other than the live time period therefor, we will pay you as if your station had broadcast such program or portion thereof during such live time period, except that:

- (i) if the percentage set forth above opposite the time period during which your station broadcast such program or portion thereof is less than that set forth opposite such live time period, then we will pay you on the basis of the time period during which your station broadcast such program or portion thereof.

(b) Payment For Other Programs

We will establish such compensation arrangements as we and you shall agree upon prior to the expiration of the applicable periods of time for program acceptance, as set forth in Paragraph I(B) of this affiliation agreement, for all network sponsored programs broadcast by your station consisting of:

- (i) Sports programs;
- (ii) special events programs
(including, but not limited to, special news programs, awards programs, entertainment specials and miniseries);
- (iii) programs for which we specified a live time period, which time period straddles any of the time period categories in the table in paragraph (a) above; and
- (iv) any other programs which we may designate from time to time.

(c) Deductions

- (i) From the amounts we are to pay you for station compensation hereunder, we shall throughout the term of this affiliation agreement deduct during each accounting period a sum equal to 168% of your station's network rate, or such other percentage applicable pursuant to the terms of Section III of the Agreement, for each week of said period.
- (ii) We will deduct a sum equal to the total of whatever fees, if any, may have mutually been agreed upon by you and us with respect to local cooperative commercial announcements broadcast during the applicable accounting period for which your station is being compensated.

TABLE

MOUNTAIN

MONDAY through FRIDAY

Sign-on to 9:00 AM - 7%
9:00 AM to 11:00 AM - 18.25%
11:00 AM to 2:00 PM - 6%
2:00 PM to 6:00 PM - 10%
6:00 PM to 11:00 PM - 28%
11:00 PM to Sign-off - 15%

SATURDAY

Sign-on to 7:00 AM - 5%
7:00 AM to 12:00 N - 8%
12:00 N to 4:00 PM - 15%
4:00 PM to 6:00 PM - 10%
6:00 PM to 11:00 PM - 28%
11:00 PM to Sign-off - 15%

SUNDAY

Sign-on to 7:00 AM - 5%
7:00 AM to 12:00 N - 6%
12:00 N to 4:00 PM - 15%
4:00 PM to 6:00 PM - 10%
6:00 PM to 11:00 PM - 28%
11:00 PM to Sign-off - 15%

All times in this paragraph are expressed in terms of your station's then current local time.

SCHEDULE BCOMPENSATION FOR CUT-IN AND LOCAL TAG ANNOUNCEMENT(S)A. CUT-IN ANNOUNCEMENTS

- I. With respect to programs broadcast by you during the time period(s) specified by us in our initial offer for such programs.

For each local cut-in announcement you broadcast within a program, which program is broadcast during the time period(s) specified by us in our initial offer for such program, we will pay you the amount resulting from multiplying your network station rate (set forth in Section II of the agreement) by the percentage for cut-in announcement(s) set forth in the applicable Table in Section C below opposite such applicable time period.

- II. With respect to programs broadcast by you with our consent during time period(s) other than that specified by us in our initial offer of such programs.

For each local cut-in announcement you broadcast within a program, which program is broadcast by you with our consent during a time period other than that specified by us in our initial offer of such program, we will pay you an amount as set forth in Section A.I. above, except that:

(i) if the percentage set forth in the applicable Table in Section C below for cut-in announcement(s) opposite the time period during which your station actually broadcast the program in which you broadcast or originated such cut-in announcement(s) is less than that set forth opposite the applicable time period specified in our initial offer of such program, then we will pay you for each cut-in announcement(s) on the basis of the time period during which your station actually broadcast such program.

- III. With respect to programs broadcast by you in a time period which straddles any of the time period categories set forth in the applicable Table in Section C below.

In the event that we offer you a program for broadcast in a time period which straddles any of the time period categories set forth in the applicable Table in Section C below, and you broadcast such program within which you also broadcast or originate one or more cut-in announcement(s), we will pay you such amounts as we and you shall have agreed upon prior to your broadcast or origination of such cut-in announcement(s).

B. LOCAL TAG ANNOUNCEMENTS

- I. With respect to programs broadcast by you during the time period(s) specified by us in our initial offer for such programs.

For each local tag announcement you broadcast within a program, which program is broadcast during the time period(s) specified by us in our initial offer for such program, we will pay you the amount resulting from multiplying your network station rate (set forth in Section II of the agreement) by the percentage for each local tag announcement set forth in the applicable Table in Section C below opposite such applicable time period.

- II. With respect to programs broadcast by you with our consent during time period(s) other than that specified by us in our initial offer of such programs.

For each local tag announcement you broadcast within a program, which program is broadcast by you with our consent during a time period other than that specified by us in our initial offer of such program, we will pay you an amount as set forth in Section B.I. above, except that:

- (i) if the percentage set forth in the applicable Table in Section C below for each local tag announcement opposite the time

period during which your station actually broadcast the program in which you broadcast such local tag announcement is less than that set forth opposite the applicable time period specified in our initial offer of such program, then we will pay you for each local tag announcement on the basis of the time period during which your station actually broadcast such program.

III. With respect to programs broadcast by you in a time period which straddles any of the time period categories set forth in the applicable Table in Section C below.

In the event that we offer you a program for broadcast in a time period which straddles any of the time period categories set forth in the applicable Table in Section C below, and you broadcast such program within which you also broadcast one or more local tag announcement(s), we will pay you such amounts as we and you shall have agreed upon prior to your broadcast of such local tag announcement(s).

C. COMPENSATION TABLE FOR CUT-IN OR LOCAL TAG ANNOUNCEMENTS

MOUNTAIN

Cut-In Announcements

Monday through Sunday	-	6:00 PM to 11:00 PM	-	18.75%
		All other times	-	7.50%

Local Tag Announcements

Monday through Sunday	-	6:00 PM to 11:00 PM	-	9.38%
		All other times	-	3.75%

All times in this paragraph are expressed in terms of your station's then current local time.

June 30, 1999

Stanley J. Whitman
President

MDM Broadcasting Inc. (Wooster Rep. Printing Co.)
2045 Overland Avenue
Billings, MT 59102

Re: KFBB/Great Falls, MT

Dear Stan:

If approved by your station, this document will constitute a side letter amendment to the existing affiliation agreement between American Broadcasting Companies, Inc. (hereinafter, "ABC" or "Network") and your station (hereinafter, the "Amendment"). ABC reserves the right to terminate this Amendment if comparable side letter amendments have not been accepted by non-owned ABC-affiliated stations representing 66% coverage of the country by July 16, 1999.

I. INVENTORY SWAP/NFL CONTRIBUTION

A. 8 Additional Primetime Spots per Week to Your Station from Network:

1. 2 "A" program spots per week
- 2 4 "B" program spots per week
3. 2 "C" program spots per week
4. Dividing the Network's weekly primetime program schedule into one-thirds, the "A" spots shall come from spots appearing in the top rated one-third, the "B" spots shall come from spots appearing in the middle rated one-third, and the "C" spots shall come from spots in the lowest rated one-third of the Network's primetime program schedule. The allocation and placement of the spots will be made within 60 days prior to the start of each new Network television season.

B. To Network from Your Station

1. A total annual payment by your station of \$37,256. This payment will be made through an equal monthly reduction from your station's Network compensation. The payment has been calculated on the basis of the following methodology: A \$45 million aggregate annual payment by non-ABC-Owned Stations through monthly deduction from Network compensation, and to the extent there is inadequate Network compensation to cover the payment, through equal monthly payments. The amount of payment required of each Station will be based upon the pro-rata percentage of the station's market coverage of total U.S. television households (excluding coverage by ABC-owned stations) which amounts to 74.888%. The amount of the annual \$45 million payment by non-owned ABC stations will be reduced in proportion to any increase in the present percentage of coverage of U.S. television households by television stations owned or operated by ABC or its affiliated companies. (E.g. if ABC's coverage were to increase to 30%, the aggregate annual affiliate payment would be reduced to \$41,528,877.) If that were to happen, the amount of payment required of your station would be reduced correspondingly.
2. 10 Children's spots per week.

C. Children's Clearances:

Your station shall maintain its current level and time period scheduling of Children's clearances. ABC warrants that during the three year term of the agreement, the Network will continue to provide the quantity of educational and informational programming that satisfies the FCC's Children's television rules (currently three hours per week) and that Network-supplied commercial matter in all

4. If comparable side letter amendments are accepted by the requisite number of affiliates, then as to those accepting affiliates ABC agrees not to implement before August 1, 2002 any of the measures outlined in the attachment to Pat Fili's June 4, 1999 letter entitled "1999-2000 Season Format Adjustments", except the compensation reduction outlined in the body of that letter which will be implemented as to all affiliates. With respect to any affiliates who do not accept such a comparable side letter agreement, ABC reserves all of its rights including the measures outlined in the attachment to the letter.
5. If ABC should desire to program or create a channel that is designed to repurpose a significant portion of any class of ABC Network programming that involves the creation of an asset, ABC agrees to enter into good faith negotiations about affiliate financial participation in such asset but ABC shall be under no legally enforceable obligation to come to agreement with affiliates about any such participation.
6. In the event that your station's existing affiliation agreement imposes greater clearance obligations than set forth herein, those clearance obligations will continue to apply.
7. The provisions of your station's existing affiliation agreement relating to the application of FCC rules to clearance commitments will continue to apply.
8. This Amendment shall be governed by New York Law.

* * *

COPY

**BAKER
&
HOSTETLER LLP**
COUNSELLORS AT LAW

STAMP & RETURN

WASHINGTON SQUARE, SUITE 1100 • 1050 CONNECTICUT AVENUE, N.W. • WASHINGTON, D.C. 20036-5304 • (202) 861-1500
FAX (202) 861-1783
WRITER'S DIRECT DIAL NUMBER

KENNETH C. HOWARD, JR.
WRITER'S DIRECT DIAL NUMBER (202) 861-1580
E-MAIL: KHOWARD@BAKERLAW.COM

October 23, 2002

RECEIVED

OCT 23 2002

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

VIA MESSENGER

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

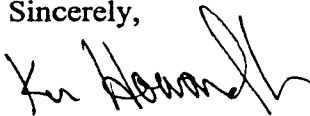
Re: Affiliation Agreement - Station KFBB-TV, Great Falls, MT
Facility ID No. 34412, FRN 0006-5779-36

Dear Ms. Dortch:

On behalf of KFBB Corporation, L.L.C., licensee of Station KFBB-TV, Great Falls, MT, attached is an amendment to the affiliation agreement with American Broadcasting Companies, Inc. for Station KFBB-TV.

Should there be any questions, please contact the undersigned.

Sincerely,



Kenneth C. Howard, Jr.

KCH/reo

Attachment

cc: KFBB-TV Public Inspection File

October 2, 2002

Mr. Stanley J. Whitman
President
MDM Broadcasting Inc. LLC
2045 Overland Avenue
Billings, MT 59102

Re: N/AP II for KFBB

Dear Stan:

Once executed by you where indicated below on behalf of your station, and approved by the requisite number of other affiliates as indicated below, this document will constitute an amendment (the "N/AP II") to that certain side letter amendment dated June 30, 1999 (the "N/AP I") to the affiliation agreement between American Broadcasting Companies, Inc. ("ABC" or "Network") and your station (the "affiliation agreement"). ABC reserves the right to terminate this amendment, even after execution by you, if comparable amendments have not been executed by non-owned ABC-affiliated stations representing 67.6% coverage of the country by October 11, 2002. Unless otherwise defined herein, each term that is used in this N/AP II and defined in N/AP I shall have the meaning ascribed to such term in N/AP I.

The parties hereby agree to amend N/AP I as follows:

1. Section I.A.2 is amended to provide that your station will be allocated three (3) "B" spots instead of the four (4) provided in N/AP I. All other provisions of Section 1.A remain unchanged. (Thus, under the amended Section 1.A, your station will receive seven (7) primetime spots per week with the allocation being divided among two (2) "A" spots, three (3) "B" spots and two (2) "C" spots allocated as provided in the agreement.) .

2. Section I.B.1 is deleted in its entirety and the following provision inserted in its place:

B. To Network from your station:

1. a. An annual payment by your station of [REDACTED] We will either invoice you for these payments or they will be made through an equal monthly deduction from your station's network compensation. The first payment is retroactive to August 1, 2002.

Mr. Stanley J. Whitman
KFBB
N/AP II
October 2, 2002
Page 2

b. In the event that your network compensation for any year during the two-year term of N/AP II is reduced as the result of a renewal of your affiliation agreement, the annual payment provided for in subsection 1.a. above will be reduced prospectively for the remainder of that two-year term hereof by the same percentage as the percent reduction in your network compensation.

3. Section I.D. is amended to provide a two (2) year term for Section I, as amended, beginning August 1, 2002.

4. Section I.E.3. is deleted in its entirety and the following provision inserted in its place:

Your station guarantees that it will maintain at least its current level of clearances and time period scheduling of "The View" through July 31, 2003 and "Up Close" through January 25, 2003.

5. Section II.D.1. & 2 are deleted in their entirety and the following provision is inserted in their place:

D. Term: The term of this Section II shall be for the duration of each affiliate's current affiliation agreement and for the term of the next renewal of that agreement.

6. Section III.A.3. is deleted in its entirety and the following provision inserted in its place:

Awards shows and other timely specials: ABC will not repurpose within 48 hours of the end of the original Network scheduled airing in the Eastern Time Zone.

7. Section III.A.4. is deleted in its entirety (*See* paragraph 15 below).

8. Section III.A.5. is deleted in its entirety and the following provision inserted in its place:

The above notwithstanding, ABC will be free to repurpose up to 25% of the Primetime Entertainment schedule (measured on an annual basis) without any restrictions.

9. Section III.B.1. is deleted in its entirety and the following provision inserted in its place:

Programs: ABC will not repurpose any sports program within three (3) hours of the end of its original in-pattern Network scheduled airing in that time zone, (including any post-game coverage), but in no event may the sports program be repurposed in your market prior to the conclusion of your late local news or 11:35 p.m. Pacific Time Zone, whichever is earlier.

10. Section III.C.2. is deleted in its entirety and the following provision is inserted in its place:

ABC will not repurpose any "hard" News program (e.g., WNT & Nightline) within four (4) hours of the end of its original in-pattern Network scheduled airing in that time zone, but in no event will ABC be restricted from repurposing a program later than four hours after its original in-pattern Network scheduled airing in the Pacific Time Zone. ABC will not repurpose any "timely" News program (e.g., GMA and Up Close) within two (2) hours of the end of its original in-pattern Network scheduled airing in that time zone, but in no event will ABC be restricted from repurposing a program later than two hours after the end of its original in-pattern Network scheduled airing in the Pacific Time Zone. Upon request by ABC, affiliates will not repurpose in the same time period in which ABC is airing "hard" News any News program content that has been provided by ABC.

11. Section III.C.4. is deleted in its entirety.

12. Section III. D.2. is deleted in its entirety and the following provision is inserted in its place:

ABC will not repurpose "The View" or any replacement programming referenced in subsection II. B. above, that is not a soap opera, within four (4) hours after the end of the program's original in-pattern Network scheduled airing in that time zone; however, in no event will ABC be restricted from repurposing a program four hours after the end of its original in-pattern Network scheduled airing in the Pacific Time Zone.

13. Section III.E. is amended to provide that the term of Section III, as amended, is coterminous with the term of amended Section I. herein.

14. Section V.2 is deleted in its entirety and the following provision inserted in its place:

2. The exclusivity provisions prohibit repurposing by ABC on any electronic video delivery platform now known or hereafter devised, including, but not limited to over the air broadcast, cable television, satellite, telephone, wireless, point to point microwave, MMDS, or the internet. For the purposes of N/AP II, the terms "repurpose" and "repurposing" shall mean a presentation of an ABC Television Network program simultaneously with or subsequent to the airing of that program on the Network. Subject to the provisions of Sections III(B)(2), III(B)(3), and III(C)(3) which provisions will continue to govern in those specific instances, a program that incorporates some, but not all of the content of an ABC Television Network program will not be considered repurposing unless such program substantially replicates the ABC Television Program from which it derives. Without limiting the provisions of this paragraph, the terms "without restriction" and "unrestricted" as used elsewhere herein do not rescind or modify the "first call" provisions of the affiliation agreement.

15. Section V.3. is deleted in its entirety and the following provision inserted in its place:

3. ABC agrees to be limited to the following parameters with respect to the cross-promotional spots it airs with respect to any other network's programming ("other network programming") on the ABC Television Network. The limitations on ABC do not apply to commercial spots purchased by another network provided that such network is not owned by, controlled by, or under common control with ABC and such spots do not contain references to any or all of a specific day (e.g., Monday, or Mondays) or date (e.g., September 13) or time (e.g., 9 p.m.). (1) ABC will be free to promote SoapNet without restrictions. (2) In its sports programming, ABC will be free to air promotional spots for ESPN programming using references to any or all of a specific day, or date, or time (as defined above), provided that such promotions are limited to up to 2 spots (either pre-produced or drop-ins) in each hour. (3) In addition to the ESPN and SoapNet promotional spots referenced above, ABC will be free to air in the aggregate in any given week up to 50 cross-promotional spots for "other network programming" without any restriction save the following: no more than 10 may contain references to any or all of a specific day, date or time (as defined above). Affiliate stations will be notified about the positions of these specific day, date, and/or time spots prior to 48 hours of air (and by Thursday 3 p.m. for any spot scheduled to air the following Saturday and Sunday). Those that elect to do so may substitute alternative promotional announcements provided and designated by ABC in these positions. If ABC fails to deliver such

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notification for 2 or more of these specific day, date and/or time spots in one week (Monday-Sunday), then ABC will not air any of the above noted allotment of these 10 specific day, date and/or time spots during the following week.

16. A new Section VI entitled "Assignment" is added so that the following provision is inserted:

VI. The provisions set forth in this Section VI will terminate on July 31, 2007, and unless you notify us in writing to the contrary, will, until such date, substitute for the terms of your affiliation agreement related to the sale or transfer of control of your Station. Subsequent to July 31, 2007, the terms of your affiliation agreement related to the sale or transfer of control of your Station will govern without regard to the provisions set forth in this Section.

a. Your affiliation agreement between ABC and KFBB cannot be assigned or transferred without timely written notice to ABC as provided below and without the consent of ABC, which consent may be withheld only in the following three circumstances: (a) if the assignee or transferee controls or is controlled by or is under common control with an entity that distributes 10 or more hours of primetime television programming per week to at least 25 affiliated television licensees in 10 or more states (b) if the assignee or transferee is not reasonably qualified to own and operate the station; or (c) on the basis of reasonable business concerns that arise from prior commercial dealings of ABC with the assignee or transferee; provided, however, ABC shall not unreasonably withhold its consent to an assignment or transfer in the case of (b) or (c). Under no circumstance will ABC withhold or condition its consent, directly or indirectly, on a renegotiation of any term, condition or obligation of the affiliation agreement, including, but not limited to, any economic term. Further, the consent of ABC to assignment of the affiliation agreement will, under no circumstances, be required in those instances where assignment of the Station's broadcast license or transfer of control of the license may be approved by the FCC by use of a "short form" assignment or transfer application under Section 73.3540(f) of the FCC's Rules, although ABC must be given notice of the filing of that application as provided below. You shall provide written notice by mail or facsimile to ABC within 30 days following the earlier of the execution of a binding agreement to assign or transfer control of the Station's broadcast license, or the filing of an application to the FCC to approve a transfer of control, which notice shall include the name of the proposed assignee or transferee. ABC shall have the unilateral right to terminate the affiliation agreement if you fail to provide notice of an

Mr. Stanley J. Whitman
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assignment, transfer or application as provided in this section. Within 30 days of the receipt of such notice, ABC shall provide written notice to you by mail or facsimile whether it consents to the assignment of the affiliation agreement and if it does consent, ABC will concurrently with the giving of such notice execute and deliver to the Station its written consent to the assignment or transfer and thereafter timely execute and deliver such other documents as may be reasonably necessary to effectuate the provisions of this Section. ABC's failure to provide such written notice within the thirty-day period shall constitute ABC's consent to the assignment of the affiliation agreement.

b. Unless we exercise our right to withhold our consent to an assignment or transfer of your affiliation agreement as provided above, the affiliation agreement shall be binding on any assignee or transferee of your station's license, and you agree that you shall not consummate such assignment or transfer of control of your station's license until you have procured and delivered to us, in form as may reasonably be requested by us, the acknowledgement of the proposed assignee or transferee that, upon consummation of the assignment or transfer of control of your Station's license, the assignee or transferee will assume and perform the affiliation agreement in its entirety without any limitation of any kind. Upon receipt of said acknowledgement, you shall be released from any liability or obligation that thereafter accrues under the affiliation agreement.

Except as modified by this N/AP II, the terms and provision of your affiliation agreement and N/AP I remain in full force and effect. This N/AP II is governed by, and shall be construed in accordance with, the laws of the State of New York. Each party hereto represents and warrants that this N/AP II has been duly executed and delivered by such party. If you agree to all of the foregoing, please execute a copy of this N/AP II in the space provided below and return it to me on or before October 11, 2002, at which time and upon receipt of the requisite number of N/AP II's from other Network affiliates, as required above, N/AP II shall constitute a valid and binding amendment to N/AP I and your affiliation agreement.

Mr. Stanley J. Whitman
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Sincerely,



John L. Rouse
Senior Vice President
Affiliate Relations

ACCEPTED AND AGREED TO:
KFBB

By: Stan Whitman
Title: President
Date: KFBB LLC

June 30, 1999

Stanley J. Whitman
President

MDM Broadcasting Inc. (Wooster Rep. Printing Co.)
2045 Overland Avenue
Billings, MT 59102

Re: KHBB/Helena, MT

Dear Stan:

If approved by your station, this document will constitute a side letter amendment to the existing affiliation agreement between American Broadcasting Companies, Inc. (hereinafter, "ABC" or "Network") and your station (hereinafter, the "Amendment"). ABC reserves the right to terminate this Amendment if comparable side letter amendments have not been accepted by non-owned ABC-affiliated stations representing 66% coverage of the country by July 16, 1999.

I. INVENTORY SWAP/NFL CONTRIBUTION

A. 8 Additional Primetime Spots per Week to Your Station from Network:

1. 2 "A" program spots per week
2. 4 "B" program spots per week
3. 2 "C" program spots per week
4. Dividing the Network's weekly primetime program schedule into one-thirds, the "A" spots shall come from spots appearing in the top rated one-third, the "B" spots shall come from spots appearing in the middle rated one-third, and the "C" spots shall come from spots in the lowest rated one-third of the Network's primetime program schedule. The allocation and placement of the spots will be made within 60 days prior to the start of each new Network television season.

B. To Network from Your Station

1. A total annual payment by your station of \$12,619. This payment will be made through equal monthly payments by your station to the Network. The payment has been calculated on the basis of the following methodology: A \$45 million aggregate annual payment by non-ABC-Owned Stations through monthly deduction from Network compensation, and to the extent there is inadequate Network compensation to cover the payment, through equal monthly payments. The amount of payment required of each Station will be based upon the pro-rata percentage of the station's market coverage of total U.S. television households (excluding coverage by ABC-owned stations) which amounts to 74.888%. The amount of the annual \$45 million payment by non-owned ABC stations will be reduced in proportion to any increase in the present percentage of coverage of U.S. television households by television stations owned or operated by ABC or its affiliated companies. (E.g. if ABC's coverage were to increase to 30%, the aggregate annual affiliate payment would be reduced to \$41,528,877.) If that were to happen, the amount of payment required of your station would be reduced correspondingly.

2. 10 Children's spots per week.

C. Children's Clearances:

Your station shall maintain its current level and time period scheduling of Children's clearances. ABC warrants that during the three year term of the agreement, the Network will continue to provide the quantity of educational and informational programming that satisfies the FCC's Children's television rules (currently three hours per week) and that Network-supplied commercial matter in all

II. SOAP CHANNEL PARTICIPATION

A. Soap Channel Cable Service Revenue Sharing:

1. Your station, along with other affiliates accepting the terms set forth herein (including ABC Owned Stations) will have an economic participation in The Soap Channel Cable Service by receiving one of the following annual distributions, whichever is greater:
 - a. \$0.01/month per revenue-generating Soap Channel subscriber in the affiliate's market.
 - b. 15% of total annual subscriber revenue generated in the affiliate's market capped at \$0.03 per revenue-generating sub/month.
 - c. 10% of total subscriber revenue generated in the affiliate's market, without a cap.
 - d. 15% of annual net profits generated in the affiliate's market.
2. The term "market" means your station's DMA. Revenues generated in a DMA adjacent to that of an ABC affiliate but in which no ABC affiliated station exists shall be credited to an ABC station or stations outside that DMA based upon their respective viewing shares in that DMA.
3. The term "cable service" includes the distribution of programming by any video delivery system now known or hereafter devised, including, but not limited to, television stations, satellite, wireless, telephone and cable systems.
4. The terms "revenue-generating Soap Channel subscriber" and "subscriber revenue" mean the

subscriber fee paid by the cable service, without regard to launch fees.

5. The term "net profits" (as used in this section) means gross revenue less any costs incurred by The Soap Channel cable service, subject to independent audit.
6. The term "Soap Channel Cable Service" means that programming service that was announced by ABC on April 8, 1999. If that service is partially owned by ABC or is merged with the Soap Channel announced by Sony, the affiliate participation in annual net profits as set out in paragraph II. A.(1)(d) will be diluted in the same proportion as ABC's interest in the service. Affiliate participation under the formula set out in paragraph II. A.(1)(a)-(c) will not be subject to dilution or reduction.

B. Daytime Clearances:

Your station shall maintain current level and time period scheduling of clearances for the following ABC Soaps: General Hospital, All My Children, One Life To Live and Port Charles, or for any replacement soap opera programming.

- C. Exclusivity: ABC has immediate repurposing rights for its soaps for the purposes and as provided in this section II for the term stated in paragraph D below.

D. Term:

1. The term of the provisions of Section II of this Amendment shall be for the duration of your station's ABC affiliation agreement.
2. The same terms of Soap Channel Participation will apply during the term of the renewal of current affiliation agreements.

within 4 hours of the end of its original airing on the Network.

3. Highlights: ABC will continue to be free to use highlights drawn from any Sports program anytime after its original airing on the Network. The term "highlight" is defined by reference to custom and practice within the broadcast industry.

C. News:

1. ABC has immediate and unrestricted repurposing rights for breaking news coverage unless it has preempted Network programming for such coverage in which case it will have unrestricted repurposing rights immediately following the preemption of Network programming for such coverage.
2. ABC will not repurpose any "hard" News program (e.g., WNT & Nightline) within 4 hours of the end of its original airing on the Network, and any timely News program (e.g., GMA) within 2 hours of the end of its original airing on the Network. Upon request by ABC, affiliates will not repurpose in the same time period in which ABC is airing "hard" News any News program content that has been provided by ABC.
3. ABC will not repurpose any "soft" News program (e.g., Newsmagazines) in its entirety within 60 days of the end of its original airing on the Network. ABC may repurpose excerpts of any Newsmagazine program within 60 days after the end of its original airing on the Network if the new program does not contain more than 50% of any one original Newsmagazine program and the original Newsmagazine program titles are not used unless modified (e.g., "Best of 20/20").

4. Politically Incorrect: ABC will not repurpose within 4 hours of the end of its original airing on the Network.

D. Daytime:

1. ABC has immediate and unrestricted repurposing right for its soaps as provided for herein. ABC will limit its repurposing of its soaps to the Soap Channel Cable Service unless and until the launch of such channel fails. In the event that ABC repurposes its soaps apart from the Soap Channel Cable Service, your station will be entitled to an economic participation from such repurposing by receiving an annual distribution based on 15% of annual net profits generated by such repurposing in your station's market. For the purposes of this paragraph only "net profits" means gross revenue less any direct out of pocket costs incurred by ABC in repurposing its soaps. The term "direct out of pocket costs" means amounts paid by ABC to third parties specifically and solely for the repurposing of the soap operas (e.g. third party participations, residuals, rights clearance costs and the like). The term excludes amounts paid to Disney/ABC, any of their respective subsidiaries or any of their employees, save residuals or third party participations that may be owed to such employees. The calculation of net profits as set out in this paragraph will be subject to independent audit. The provision of this paragraph related to ABC's repurposing soaps apart from a Soap Channel Cable Service and the right of your station to an economic participation in such repurposing shall be subject to the term limitations set out in paragraph E below.

2. ABC will not repurpose The View or any replacement programming referenced in paragraph II.B above that is not a soap opera within 4 hours of the end of its original airing on the Network.

E. Term: The term of the provisions of this Section III shall be coterminous with the term of Section I (the Inventory Swap/NFL Contribution Plan) of this Amendment.

IV. FURTHER FLEXIBILITY

The parties recognize that ABC may wish to repurpose certain programming in a manner that is at variance with the limitations set forth above. Your station authorizes the Network's Affiliate Board to act fully on your behalf to accept or reject ABC's requests for such a variance and agrees that neither the Affiliate Board nor those acting on its behalf will be liable to you for the decisions it makes to accept or reject a variance. The Affiliate Board will be required to meet with ABC promptly upon receiving a request for such a variance, and will not act unreasonably in withholding its approval.

V. MISCELLANEOUS

1. The geographical scope of exclusivity shall be your station's DMA or any lesser area as may be required by the FCC under existing rules.
2. The exclusivity provisions prohibit repurposing by any video delivery system now known or hereafter devised, including, but not limited to, television stations, satellite, wireless, telephone and cable systems.
3. The prohibition against and the contractual provisions restricting the pre-promotion of Entertainment programming (as set out in paragraph III.A (4)) apply as well to all other program classifications, e.g., news and sports.

4. If comparable side letter amendments are accepted by the requisite number of affiliates, then as to those accepting affiliates ABC agrees not to implement before August 1, 2002 any of the measures outlined in the attachment to Pat Fili's June 4, 1999 letter entitled "1999-2000 Season Format Adjustments", except the compensation reduction outlined in the body of that letter which will be implemented as to all affiliates. With respect to any affiliates who do not accept such a comparable side letter agreement, ABC reserves all of its rights including the measures outlined in the attachment to the letter.
5. If ABC should desire to program or create a channel that is designed to repurpose a significant portion of any class of ABC Network programming that involves the creation of an asset, ABC agrees to enter into good faith negotiations about affiliate financial participation in such asset but ABC shall be under no legally enforceable obligation to come to agreement with affiliates about any such participation.
6. In the event that your station's existing affiliation agreement imposes greater clearance obligations than set forth herein, those clearance obligations will continue to apply.
7. The provisions of your station's existing affiliation agreement relating to the application of FCC rules to clearance commitments will continue to apply.
8. This Amendment shall be governed by New York Law.

* * *

If your station wishes to agree to the Amendment, please execute the enclosed copy of this letter in the space provided below and return it to me before July 16, 1999.

Very truly yours,



John L. Rouse
Senior Vice President
Affiliate Relations

Accepted and Agreed To:

KHBB/Helena, MT

By: Alan Whitman

Title: President

Dated: 7/15/99

January 27, 1997

TRANSLATOR TELEVISION AFFILIATION AGREEMENT

KFBB, LLC

TELEVISION STATION: K21DU-Helena, Montana (rebroadcasting Station
KFBB - Great Falls, Montana)

Gentlemen:

The following shall constitute the agreement between American Broadcasting Companies, Inc. ("ABC" or "we") and KFBB, LLC ("you"), in order that your station may continue to serve the public interest, convenience and necessity. You have advised us that you wish to operate station K21DU (the "Translator Station") as a translator station in accordance with Part 74, subpart G, of the Rules of the Federal Communications Commission, and rebroadcast the ABC Network Television Programs broadcast by KFBB (the "Primary Affiliate"). The rebroadcast rights granted to you herein are entirely derivative of, and are limited to those ABC Network Television Programs broadcast by the Primary Affiliate pursuant to the terms of the Primary Television Affiliation Agreement between ABC and KFBB Corporation dated January 27, 1997 (the "Primary Affiliation Agreement"). We and you hereby mutually agree upon the following plan of network cooperation:

I. NETWORK AFFILIATION AND PROGRAM SERVICE

A. We will, subject to any conditions which the Federal Communications Commission may impose in relation to your authorization, permit you to rebroadcast simultaneously all and only those Network Television Programs broadcast by the Primary Affiliate, subject to the conditions and limitations set forth herein.

B. PROGRAM DELIVERY. You will arrange, at your own expense, for programs to be delivered to your station from the Primary Affiliate.

C. During the term of this Agreement, we agree that we shall not enter into a primary television network affiliation agreement relating to any television broadcast station in the Helena DMA unless such station is owned by you or your corporate parent or wholly-owned subsidiary. Notwithstanding the foregoing sentence, we may make arrangements to have any television broadcast station serving the Helena DMA broadcast ABC network programs in the event that, and only for as long as, such programs are not cleared by KFBB.

II. TERM

A. This agreement shall be effective during the term of the Primary Affiliation Agreement.

B. This Agreement shall terminate immediately upon the occurrence of any of the following:

1. the termination for any reason of the Primary Affiliation Agreement;
2. the cessation of the Translator Station's operation in accordance with Part 74, subpart G, of the Rules of the Federal Communications Commission; or
3. the transfer or assignment of the license of the Primary Affiliate.

III. NETWORK STATION COMPENSATION

No compensation shall be paid by ABC for your station's rebroadcast of Network Television Programs.

IV. GENERAL

A. You agree to notify us of any application made to the Federal Communications Commission to modify your station's transmitter location, power, frequency or hours of operation within ten (10) days of the filing of such application. In the event that the transmitter location, power, frequency or hours of operation of your station are changed at any time, we will have the right to terminate this Agreement upon thirty (30) days' advance written notice.

B. Unless we exercise our right of termination set forth in this paragraph, this Agreement shall be binding on any assignee or transferee of your station's license. You agree not to assign or to transfer any of the rights or privileges granted to you under this Agreement without our prior consent in writing. You also agree that if any application is made to the Federal Communications Commission pertaining to an assignment or a transfer of control of your license, or any interest therein, you shall notify us in writing immediately of the filing of such application. Except as to assignments or transfers of control comprehended by Section 73.3540(f) of the Rules and Regulations of the Federal Communications Commission, we shall have the unilateral right to terminate this Agreement effective as of the effective date of any assignment or transfer of control (voluntary or involuntary) of your license or any interest therein, provided ABC shall have given you notice in writing of such termination within thirty (30) days after we have been advised that such application for assignment or transfer has been filed with the Federal Communications Commission.

If you fail to notify us of the assignment or transfer of control of your station's license, we shall have the unilateral right, as a non-exclusive remedy, to terminate this Agreement within thirty (30) days of receiving notice of said assignment or transfer or control.

You agree that you shall not consummate any assignment or transfer of control of your station's license until you have procured and delivered to us, in form satisfactory to us, the acknowledgment of the proposed assignee or transferee that, upon consummation of the assignment or transfer of control of your station's license, the assignee or transferee will assume and perform this Agreement in its entirety without limitation of any kind.

C. Your rights under this Agreement are limited to the right to rebroadcast simultaneously all those Network Television Programs broadcast by the Primary Affiliate pursuant to the terms herein. You agree not to authorize, cause, permit or enable the use of any program which you receive from the Primary Affiliate for any purpose other than broadcasting by your station pursuant to the terms herein, in the community to which your station is licensed by the Federal Communications Commission, for reception by the general public in places to which no admission is charged. All rights not specifically granted to you by this Agreement shall be retained by ABC.

D. Except with our prior written consent and except upon such terms and conditions as we may impose, you agree not to authorize, cause, permit or enable anything to be done whereby a recording on film, tape or otherwise is made or a recording is broadcast, of a program which has been, or is being, broadcast on our network, or a rebroadcast is made of the broadcast transmission of your station during any hours when your station is broadcasting a Network Television Program.

E. With respect to any and all promotional material issued by you or under your direction or control, you agree to abide by any and all restrictions of which we advise you pertaining to the promotion of a network program(s) scheduled to be broadcast by you in your community, including, but without limitation, on-the-air promotion, billboards, and newspaper or other printed advertisements, announcements or promotions.

F. You agree to maintain for your television station such licenses, including performing rights licenses as now are or hereafter may be in general use by television broadcasting stations and necessary for you to broadcast the television programs which we furnish to you hereunder. We will clear all music in the repertory of ASCAP and of BMI used in our network programs, thereby licensing the broadcasting of such music in such programs over your station. You will be responsible for all music license requirements for any

commercial or other material inserted by you within or adjacent to our network programs in accordance with this agreement.

G. You will submit to us in writing, upon forms provided by us for that purpose, such reports covering network programs broadcast by your station as ABC may request from time to time. To verify your carriage of network commercial announcements, identifications and program promotional material, we may require delivery by you, within five (5) days of our request, copies of your official station logs and air checks or broadcast tapes (to the extent such air checks or broadcast tapes are customarily retained by the station).

H. No inducements, representations or warranties except as specifically set forth herein have been made by any of the parties to this Agreement. This Agreement constitutes the entire contract between the parties hereto and no provision thereof shall be changed or modified, nor shall this Agreement be discharged in whole or in part, except by an agreement in writing, signed by the party against whom the change, modification or discharge is claimed or sought to be enforced; nor shall any waiver of any of the conditions or provisions of this Agreement be effective and binding unless such waiver shall be in writing and signed by the party against whom the waiver is asserted, and no waiver of any provision of this Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or of any other provision.

I. All notices, demands, requests or other communications which may be or are required to be given or made by ABC or you pursuant to this Agreement shall be delivered (postage or fee prepaid) by first-class mail, express mail, express delivery service or by facsimile transmission addressed as follows:

(a) If to you:

Mr. Jack May
P. O. Box 1139
Great Falls, MT 59403

Phone: 406-453-4377 / Fax: 406-727-9703

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

Mr. Stan Whitman
President
MDM Broadcasting, LLC
P. O. Box 80810
Billings, MT 59108-0810

Phone: 406-656-8000 / Fax: 406-652-8207

(b) If to ABC:

John Rouse
Senior Vice President
Affiliate Relations
ABC Television Network
77 West 66 Street, 2nd Floor
New York, NY 10023-6298

Phone: 212-456-6493 / Fax: 212-456-7450

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

Roger Goodspeed, Esq.
ABC, Inc.
Law & Regulation Department
77 West 66 Street, 16th Floor
New York, NY 10023-6298

Phone: 212-456-7593 / Fax: 212-456-6202

or to such other person, address or facsimile number as you or ABC may designate by written notice.

J. This Agreement and all questions relating to its validity, interpretation, performance, and enforcement (including, without limitation, provisions concerning limitations of action), shall be governed by and construed in accordance with the laws of the State of New York, notwithstanding conflict-of-laws doctrines of any state or other jurisdictions to the contrary.

K. Upon termination of this Agreement, the consent theretofore granted to broadcast our network programs or use ABC logos or trademarks shall be deemed immediately withdrawn and you shall have no further rights of any nature whatsoever in such programs, logos or trademarks.

L. You acknowledge that, in view of the uniqueness of the plan of network cooperation set forth in this Agreement, in the event that your obligations under this Agreement are not performed in accordance with its terms, ABC would not have an adequate remedy at law and therefore agree that ABC shall be entitled to specific performance of the terms hereof in addition to any other remedy to which it may be entitled at law or in equity.

M. You agree to indemnify and hold ABC and its parent corporation, subsidiaries and their respective officers, directors, agents and employees, successors and assigns harmless from and against any and all claims made against us and all damages, liabilities, costs and expenses incurred as a result of such claims, including reasonable attorney's fees, arising out of the broadcast by ABC of any material supplied by you to ABC in

accordance with this Agreement, and we agree to indemnify and hold you harmless from and against any and all claims made against you and all damages, liabilities, costs and expenses incurred as a result of such claims, including reasonable attorney's fees, arising out of the broadcast by you of any Network Television Program in accordance with this Agreement. It is understood that the foregoing indemnities shall apply only with respect to materials that are broadcast without change from the form and content in which such materials were originally provided and in strict conformance to any instructions or limitations given by the party providing the material. Each party will notify the other promptly of any litigation or claim to which such indemnity applies and will cooperate fully in the defense at the other party's request. The provisions of this paragraph shall survive the expiration or sooner termination of this agreement.

N. Nothing in this Agreement shall create any partnership, association, joint venture, fiduciary or agency relationship between ABC and you.

If, after examination, you find that the arrangement herein proposed is satisfactory to you, please indicate your acceptance on the copy of this letter enclosed for that purpose and return that copy to us.

Very sincerely yours,

AMERICAN BROADCASTING COMPANIES, INC.

By: _____

Accepted this 12th day of
February, 1997

Licensee: KFBB, LLC

By: Stan Whitman

Name: Stan Whitman

Title: President