

**LOCAL MARKETING AGREEMENT**

This Local Marketing Agreement ("Agreement") is made and entered into as of this 12<sup>th</sup> day of December, 2008, by and among the selling entities set forth on Exhibit A hereto and the license holders set forth on Exhibit B hereto (each a "Licensee" and collectively, the "Licensees") and New World TV Group, LLC, a Delaware limited liability company, (the "Broker"). This Agreement is subject to approval by the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") and shall be effective as of January 14, 2009 (the "Effective Date"). For purposes of this Agreement, the Licensees and Broker each may be referred to individually as a "Party," and together as the "Parties." Capitalized terms used in this Agreement that are not otherwise defined herein shall have the meaning ascribed to them in the Asset Purchase Agreement, dated as of December 12, 2008, among the Sellers and Buyers listed therein.

**WITNESSETH**

**WHEREAS**, Licensees hold the over-the-air television broadcast licenses and other authorizations (collectively, the "FCC Authorizations") issued by the Federal Communications Commission ("FCC") used and useful for the operation of the following television stations (each a "Station" and collectively the "Stations"):

Television Station	Facility ID #	Community of License	Debtor Owning Television Station
KMPH-TV	51488	Visalia, CA	Pappas Telecasting Incorporated [FCC Licensee: KMPH(TV) License, LLC]
KMPH-CA	51489	Merced-Mariposa, CA	
KMPH-LD	168338	Merced-Mariposa, CA	
KFRE-TV	59013	Sanger, CA	Pappas Telecasting of Central California, L.P. [FCC Licensee: KFRE(TV) License, LLC]
KTNC-TV	21533	Concord, CA	Pappas Telecasting of Concord, L.P. [FCC Licensee: KTNC License, LLC]
KUNO-TV	8378	Fort Bragg, CA	Pappas Telecasting of Concord, L.P. [FCC Licensee: Concord License, LLC]
KDSL-CA	8293	Ukiah, CA	

Television Station	Facility ID #	Community of License	Debtor Owning Television Station
KCWK(TV) KCWK-LP	84238 12730	Walla Walla, WA Yakima, WA	CASA of Washington, LLC [FCC Licensee: KCWK License, LLC]
KAZH(TV)	70492	Baytown, TX	Pappas Telecasting of Houston, L.P. [FCC Licensee: KAZH License, LLC]
KDBC-TV KCWO-CA KCWF-CA KKNJ-LP	33764 33765 33767 33766	El Paso, TX Silver City, NM Las Cruces, NM Alamogordo, NM	Pappas Telecasting of El-Paso-Juarez, L.P. [FCC Licensee: KDBC License, LLC]
KPTM(TV) KKAZ-CA KKAZ-LD	51491 51492 168251	Omaha, NE Omaha, NE Omaha, NE	Pappas Telecasting of Midlands, L.P. [FCC Licensee: KPTM(TV) License, LLC]
KPTH(TV) KPTP-LP KPTP-LD	77451 127666 168169	Sioux City, IA Norfolk, NE Norfolk, NE	Pappas Telecasting of Sioux City, L.P. [FCC Licensee: KPTH License, LLC]
WCWG(TV)	35385	Lexington, NC	WCWG of the Triad, LLC [FCC Licensee: WCWG License, LLC]

**WHEREAS**, Licensees are debtors-in-possession under Chapter 11 of the United States Bankruptcy Code;

**WHEREAS**, on August 14, 2008, the Office of the United States Trustee for the District of Delaware appointed E. Roger Williams the chapter 11 trustee (the "Chapter 11 Trustee") of Licensees, and, on August 18, 2008, the Bankruptcy Court approved the

appointment of the Chapter 11 Trustee in the Licensees' chapter 11 cases (the "Chapter 11 Cases");

**WHEREAS**, Licensees, acting by and through the Chapter 11 Trustee, have been authorized by the Bankruptcy Court to sell the Stations and all related assets to Broker pursuant to the Bankruptcy Court's order dated January 13, 2009 (the "Sale Order") approving that certain Asset Purchase Agreement by and between Licensees and Broker (the "Asset Purchase Agreement");

**WHEREAS**, pending the consummation of the transactions contemplated by the Asset Purchase Agreement and Sale Order, the Licensees continue to operate their businesses and manage their properties under the supervision of the Chapter 11 Trustee;

**WHEREAS**, Licensees have broadcast time available for sale on the Stations and desire that Broker provide programming to fill such time that is responsive to the needs, interests, issues and desires of the Stations' communities of license and service areas; and

**WHEREAS**, Broker desires to purchase time on the Stations to present its programming on the Stations and to sell advertising time for inclusion in said programming, and is willing to purchase that broadcast time, subject to the limitations set forth herein.

**NOW, THEREFORE**, for and in consideration of the mutual covenants herein contained, the sufficiency of which are acknowledged, the parties hereto have agreed and do agree as follows:

1. **Term**. Commencing on the Effective Date and continuing thereafter until such time as this Agreement terminates as provided in Section 8 below (such period, the "Term"), Licensees shall make their broadcasting transmission and other facilities (including auxiliary broadcast, earth station, microwave and other ancillary facilities licensed under the FCC Authorizations) available to Broker and to broadcast on the Stations, or cause to be broadcast on the Stations, such programming, commercial advertising, promotional announcements, public service announcements and other program related material as may be designated by Broker from time to time (collectively, the "Brokered Programming"), including, without limitation (a) any programs, shows and other content provided by and/or available to Licensees under their respective network affiliation agreements, film and program barter agreements, sports rights agreements, news rights or service agreements, syndication agreements and other programming related contracts in effect on the Effective Date of this Agreement (and as may be amended from time to time, with Licensees' reasonable consent, consistent with the terms of this Agreement) ("Licensee Program Contracts"), provided, however, that Broker shall comply with all requirements in the Licensee Program Contracts, and (b) as may be acquired and supplied to the Stations by Broker (the "Broker Supplied Programming") (in each case subject to Licensees' control as provided elsewhere in this Agreement). Regardless of any language herein to the contrary, Broker shall not modify or terminate any of Licensees' Program Contracts without Licensees' prior reasonable consent, which consent shall not be unreasonably withheld, delayed, conditioned or denied. Broker shall notify Licensees at least three (3) but not more than fourteen (14) business days prior to the Closing Date of any of Licensee Program Contracts that Broker does not wish to have assigned at the Closing. Broker shall provide fourteen (14) days

prior notice to Licensees regarding any Station contract other than a Licensee Program Contract that Broker does not wish to assume.

2. **Consideration.** As consideration for the rights granted to it under this Agreement, including, without limitation, the airtime made available hereunder as well as the use of the Licensees' assets, Broker shall make payments to or for the benefit of the Licensees, as set forth in Attachment I to this Agreement.

3. **Station Facilities.**

(a) **Program Time.** Throughout the Term, Licensees shall make available to Broker the broadcast transmission facilities of the Stations, and shall cause to be broadcast using such facilities, the Brokered Programming. Licensees' broadcast transmission facilities shall be made available to Broker by Licensees for the maximum time authorized by the FCC up to one hundred sixty-eight (168) hours per week per Station, Sunday through Saturday, except for downtime occasioned by routine maintenance. Licensees shall cooperate fully in making the facilities of the Stations available to Broker and in broadcasting the Brokered Programming as provided in this Section 3(a). Broker shall make available to Licensees a sufficient amount of Brokered Programming to enable the Stations to meet their respective minimum hours of operation required under the rules and regulations of the FCC and the policies adopted pursuant to such rules and regulations (the "FCC Rules"). Without limiting the foregoing and for avoidance of doubt, Broker shall be entitled to use all of the Stations' digital transmission capacity. Broker's use of the analog and digital broadcast transmission facilities of the Stations, and its broadcast of Programming over such facilities, shall be in compliance with, and not be in derogation of, Licensees' obligations under their FCC licenses and their program agreements with network and independent program suppliers.

(b) **Use of Station Facilities and Personnel.** To facilitate delivery of programming by Broker to Licensees hereunder, Licensees hereby grant to Broker the right, for the Term of this Agreement, to use all of the Licensees' respective assets, including, without limitation, all of the Licensees' respective rights, title and interest under Licensee Programming Contracts, the Stations' studios (the "Studios") and the equipment owned or leased by the Licensees located therein (the "Broadcast Equipment") for the purpose of airing the Brokered Programming on the Stations pursuant to this Agreement. In addition, Broker shall have, and Licensees hereby grant to Broker, a right to (i) enter upon, occupy and use all real and personal property owned, leased or licensed to the Licensees and the Stations, including, any property on which the Studios and the Stations' transmission sites are located, for purposes of producing, inserting, clearing, and airing the Brokered Programming, and for performing such billing, collections, treasury and other cash management functions that Broker is entitled to perform under the terms of this Agreement and may wish to perform in connection with this Agreement, and (ii) utilize the Licensees' employees in the performance of Broker's obligations under this Agreement, subject in all respects to the Licensees' ultimate control over such employees and the provisions set forth in Sections 5(a) and 5(b)(i). In the event that it exercises the right to enter upon any property owned or leased to the Licensees to use the Studios or the Stations' transmission sites, Broker shall maintain the Broadcast Equipment, Studios and other Station facilities in good working order, free and clear of liens, claims or encumbrances of any third party claiming by, through or under Broker. Alternatively, Broker may originate its programs

for broadcast on the Stations from Broker's own studio(s) or other locations, in which case Broker shall be responsible, at its sole expense, for the delivery of such programming to the Stations; provided, that, such election by Broker shall not reduce Licensees' right to compensation and reimbursement in regard to Licensees' maintenance and operation of Stations' Studios, the Broadcast Equipment and transmission facilities during the Term as provided in Attachment I. Licensees may, upon reasonable notice to Broker, change the location of the Studios.

(c) **Maintenance; Interruption of Normal Operations.** During the Term, Licensees shall, with Broker's reasonable assistance (1) maintain all of the Stations' FCC Authorizations in full force and effect, (2) maintain the operating power of the Stations' analog and digital facilities at the maximum levels authorized by the FCC for the Stations, and (3) repair and maintain Licensees' studio and transmission facilities and equipment in good operating condition. Licensees shall use commercially reasonable efforts to provide at least forty-eight (48) hours' notice to Broker in advance of any maintenance work affecting the operation of any Station, which shall be undertaken at such hours and on such terms as to cause the least disruption to Broker's operations. If any Station suffers any loss or damage of any nature to its transmission facilities which results in the interruption of service or the inability of such Station to operate with its maximum authorized facilities, the Party first learning of such loss or damage shall notify the other Party as soon as possible and Licensees shall, with Broker's assistance, as soon as possible, undertake such repairs as are necessary to restore full-time operation of such Station with its maximum authorized facilities, after the occurrence of any such loss or damage. If Licensees are unable to complete such repairs within a reasonable time, Broker may cooperate with Licensees by undertaking such repairs, subject to Licensees' supervision.

(d) **Force Majeure.** Any failure or impairment of facilities or any delay or interruption in the broadcast of programs, or failure at any time to furnish facilities, in whole or in part, for broadcast, due to a cause beyond the control of Licensees, shall not constitute a breach of this Agreement. Broker and Licensees shall exercise commercially reasonable efforts to remedy any such conditions affecting compliance with their obligations under this Agreement.

(e) **Silent Stations.** The Stations listed in Schedule 1 currently are not transmitting ("Silent Stations"), might not resume transmission during the Term of this Agreement, and therefore might not be available for use by Broker during the Term. Licensees will take commercially reasonable efforts regarding the Silent Stations, after consultation with Broker, as are agreed by the parties to be reasonably necessary to keep the Silent Stations' FCC Authorizations in full force and effect until the earlier of the occurrence of the Closing Date or the termination of the Agreement for any reason other than the occurrence of the Closing Date.

(f) **Other Agreements.** The parties acknowledge that certain of the Licensees are parties to local marketing, local management, time brokerage agreements, shared services and/or similar agreements with respect to third party-owned television stations KMEG(TV) and KXVO(TV). With respect to KMEG(TV), Broker shall in all respects exercise Pappas's rights and fulfill Pappas's responsibilities ("Pappas" as identified and defined in that certain Shared Services Agreement dated as of April 28, 2005, by and between Waitt Broadcasting, Inc. and Pappas Telecasting of Siouxland, LLC), and Broker shall in all respects

