

## OPTION AGREEMENT

THIS OPTION AGREEMENT (this "**Agreement**") is made and entered into as of December 23, 2013 by and among Gannett Co., Inc., a Delaware corporation (together with its successors and permitted assigns, "**Option Holder**"), Sander Holdings Co. LLC, a Delaware limited liability company (together with its successors and permitted assigns, "**Grantor**") and Sander Operating Co. I LLC (d/b/a WHAS Television), a Delaware limited liability company and a wholly-owned subsidiary of Grantor (together with its successors and permitted assigns, the "**Company**").

## WITNESSETH

**WHEREAS**, as of the date hereof, with the prior consent of the Federal Communications Commission (the "**FCC**"), and simultaneously with the consummation of the transactions contemplated by that certain Merger Agreement, dated as of June 12, 2013 by and between Belo Corp. and Option Holder, the Company has acquired, pursuant to that certain Asset Purchase Agreement, dated as of June 12, 2013, as amended by that certain First Amendment, dated as of July 23, 2013, as further amended by that certain Second Amendment, dated as of November 14, 2013 (as amended, the "**Purchase Agreement**"), certain assets with respect to WHAS-TV, Louisville, KY (Fac. ID 32327) (the "**Station**");

**WHEREAS**, Grantor owns 100% of the limited liability company membership interests (the "**Membership Interests**") in the Company;

**WHEREAS**, Grantor and the Company desire to grant Option Holder, and Option Holder desires to acquire from Grantor and the Company, as applicable, an option to purchase, at Option Holder's election, (i) all of the Membership Interests in the Company or (ii) all of the Company's assets relating to the Station, in either case on the terms and conditions set forth herein; and

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth, the parties, intending to be legally bound, agree as follows:

1. **Option Grant.** Grantor and the Company, as applicable, each hereby gives, grants, transfers and conveys to Option Holder, and its successors and assigns, the sole and exclusive right, privilege and option to purchase (the "**Option**"), on the terms and conditions hereinafter set forth and effective as of the date hereof (the "**Effective Date**"), at Option Holder's election, (i) all equity interests in or with respect to the Company, including 100% of the Membership Interests in the Company now held or hereinafter acquired by Grantor (collectively, the "**Subject Interests**") or (ii) all of the tangible and intangible personal property, licenses, authorizations and leases, contracts and agreements, owned or held by Grantor or the Company or in which Grantor or the Company holds an interest, relating to the operation of the Station, including the property described below (and collectively referred to as the "**Station Assets**") (the consummation of which purchase, following exercise in accordance with the terms and conditions hereof, is hereinafter referred to as the "**Option Closing**");

(a) All of the Station Assets, including, with respect to any tangible personal property encompassed within the Station Assets, any replacements thereof or modifications or improvements thereto;

(b) All of the licenses, construction permits and other authorizations issued by the FCC to Grantor or the Company for the operation of the Stations, including any renewals, extensions or modifications thereof and additions thereto between the date hereof and the Option Closing (collectively, the “**FCC Licenses**”);

(c) All other licenses, permits, construction permits, approvals, concessions, franchises, certificates, consents, qualifications, registrations, privileges and other authorizations and other rights, from any governmental authority to Grantor or the Company used in connection with the Stations, including any renewals, extensions or modifications thereof and additions thereto between the Effective Date and the Option Closing (collectively, the “**Permits**”);

(d) All of the tangible personal property owned by Grantor or the Company as of the Effective Date or thereafter acquired by Grantor or the Company and used or useful in the operation of the Stations;

(e) All of the intangible personal property owned by Grantor or the Company relating to or used in connection with the operation of the Stations as of the Effective Date or thereafter acquired by Grantor or the Company and used or useful in the operation of the Stations, exclusive of all cash on-hand of the Company and all accrued accounts receivable; and

(f) All of the contracts, leases and other agreements to which Grantor or the Company is a party and which relate to the ownership or operation of the Station.

2. **Consideration for Option.** This Option is granted for the period set forth in Section 3 hereof in return for, among other consideration, the payment by Option Holder to Grantor of an amount equal to Seventeen Thousand Nine Hundred Seventy-Three Dollars (\$17,973), which shall be due and payable on the Effective Date.

3. **Option Period.** The Option shall be effective commencing on the Effective Date and ending on the eighth anniversary of the Effective Date (the “**Option Period**”); *provided, however,* that the Option Period shall be extended automatically without any further action by Option Holder, Grantor or the Company if the Covered Sharing Agreement (as defined below) shall be renewed and, thereafter, the Option Period shall continue until the Covered Sharing Agreement shall have been terminated in accordance with its respective terms. The Option may be exercised by Option Holder at any time during the Option Period.

4. **Exercise of Option; Withdrawal.**

(a) Option Holder may exercise the Option at any time during the Option Period by delivery of written notice thereof (the “**Exercise Notice**”) to Grantor, specifying whether Option Holder is exercising the Option with respect to the Subject Interests or the Station Assets. Upon exercise of the Option, Option Holder, Grantor and the Company shall be obligated to enter into the transactions to be consummated hereunder at the Option Closing, subject to the provisions of Sections 9 and 10 hereof, and Section 4(b) below.

(b) Option Holder may withdraw any Exercise Notice prior to the Option Closing by written notice to Grantor of such withdrawal. No such withdrawal (and no withdrawal of any subsequent Exercise Notice) will affect Option Holder's right subsequently to exercise the Option by delivering to Grantor during the Option Period one or more other Exercise Notices.

5. ***Purchase Price and Contemplated Transactions.***

(a) ***Purchase Price.*** At the Option Closing, and pursuant to the terms and subject to the conditions set forth in this Agreement, Option Holder shall pay to Grantor an amount equal to the Cash Purchase Price (as defined on *Schedule 5(a)* hereto) by federal wire transfer of same-day funds pursuant to wire instructions delivered to Option Holder by Grantor at least two business days prior to the date on which such Option Closing is to occur (the "***Option Closing Date***") (or such other method of funds transfer as may be agreed upon by Option Holder and Grantor).

(b) ***Purchase of Subject Interests.*** Subject to Section 4(b), upon the exercise of the Option with respect to the Subject Interests, Grantor shall, on the Option Closing Date, deliver any and all documentation required to effect the transfer of the Subject Interests to Option Holder.

(c) ***Purchase of Station Assets.***

(i) ***Transfer of Station Assets.*** Subject to Section 4(b), upon the exercise of the Option with respect to the Station Assets, Grantor and the Company shall, on the Option Closing Date, sell, assign, transfer, convey and deliver to Option Holder all right, title and interest of Grantor and the Company in and to the Station Assets free and clear of liens, claims and encumbrances ("***Liens***"), except for Assumed Obligations, liens for taxes not yet due and payable and any other liens expressly identified and agreed to by the parties in writing (collectively, "***Permitted Liens***").

(ii) ***Excluded Assets.*** Except for those assets specifically identified in Section 1, the Station Assets shall not include any other assets, properties, interests or rights of any kind or description (the "***Excluded Assets***"). The Excluded Assets shall remain the property of Grantor or the Company, as the case may be.

(iii) ***Assumption of Obligations.*** On the Option Closing Date, Option Holder shall assume and undertake to pay, discharge and perform all obligations of Grantor or the Company, as the case may be, as the holder of the Permits and the FCC Licenses, including all obligations to make all required FCC filings with respect thereto, and as the owner of the other Station Assets, including all leases and contracts included in such Station Assets, to the extent such obligations arise out of events occurring on or after the Option Closing Date (the "***Assumed Obligations***").

(iv) ***Excluded Obligations.*** Option Holder does not assume or agree to discharge or perform, and will not be deemed by reason of the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, to have assumed or to have agreed to discharge or perform, and Grantor and the Company shall remain liable for, any

liabilities, obligations or commitments of Grantor and the Company arising from the business or operation of the Station before the Option Closing Date and any other obligations or liabilities other than the Assumed Obligations.

(v) *[Reserved]*

(d) **Option Closing.** Upon the exercise of the Option but subject to Section 4(b), above, the Option Closing shall take place no later than ten business days after the satisfaction or, to the extent permissible by law, the waiver (by the party for whose benefit the closing condition is imposed) of, the conditions specified in Sections 9 and 10 hereof. Alternatively, the Option Closing may take place at such other place, time or date as the parties may mutually agree upon in writing.

6. **Representations and Warranties of Grantor and the Company.** Grantor and the Company, jointly and severally, represent and warrant to Option Holder as follows; *provided, however*, that neither Grantor nor the Company make any representation or warranty as to any action, event, occurrence or circumstance that (i) was or shall be caused by Option Holder or any affiliate thereof or that arose, or shall arise from any omission by Option Holder or any affiliate thereof to perform its obligations under the Joint Sales Agreement and Shared Services Agreement (individually and collectively, a “**Covered Sharing Agreement**”), dated as of the date hereof and as may be hereafter amended or extended, by and between the Company and Option Holder, or (ii) constitutes a breach by Seller of a representation or warranty of Seller under the Purchase Agreement:

(a) The Company was organized as a Delaware limited liability company on June 11, 2013. Prior to the date hereof, the Company has not engaged in any business and does not have any liabilities or obligations, except those liabilities and obligations incurred in connection with its organization, the negotiation, execution, delivery and performance of this Agreement, the Purchase Agreement, each Covered Sharing Agreement and the transactions contemplated hereby and thereby and incidental expenses incurred in connection herewith and therewith. The Company has no indebtedness for borrowed money, other than indebtedness incurred in connection with the performance of the Company’s obligations pursuant to the Purchase Agreement and an Acquisition Financing Arrangement.

(b) Each of Grantor and the Company has the power and authority and full legal capacity to enter into and to perform its obligations under this Agreement. The execution, delivery and performance of this Agreement by each of Grantor and the Company has been duly authorized and this Agreement constitutes a valid and binding obligation of each of Grantor and the Company enforceable against each of them in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors’ rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(c) As of the date hereof and the Option Closing, Grantor owns 100% of the Subject Interests, and Grantor has good and valid title to the Subject Interests free and clear of all liens.

(d) As of the Option Closing, the Company has good and marketable title to the Station Assets free and clear of all liens other than liens for taxes not yet due and payable and liens that will be discharged at or prior to the Option Closing.

(e) Each of Grantor and the Company is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, and is qualified to do business in each jurisdiction in which its respective assets or properties are located.

(f) The Subject Interests constitute all of the outstanding equity interests of the Company and such Subject Interests and are duly authorized, validly issued, fully paid and nonassessable. Other than the Subject Interests, there are no issued, reserved for issuance or outstanding (A) equity interests in, other voting securities of or other ownership interests in the Company, (B) securities of the Company convertible into or exchangeable for equity interests in, other voting securities of or other ownership interests in the Company, (C) warrants, calls, options or other rights to acquire from the Company, or other obligations of the Company to issue, any equity interests in, other voting securities of or other ownership interests in the Company or securities directly or indirectly convertible into or exercisable or exchangeable for equity interests in, other voting securities of or other ownership interests in the Company or (D) restricted shares, stock appreciation rights, performance units, contingent value rights, "phantom" stock or similar securities or rights that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of any equity interests in, other voting securities of or other ownership interests in the Company. Neither Grantor nor the Company holds any equity, securities or other ownership interest of any kind, including warrants or other rights or options to acquire equity, securities or other ownership interests, in any third party other than the Company's ownership of the Subject Interests.

(g) As of the Option Closing Date, the Company is the holder of the FCC Licenses and such FCC Licenses are valid and in full force and effect.

(h) As of the Option Closing Date, Grantor and the Company shall have filed all material returns, reports, and statements that Grantor or the Company, as the case may be, is required to file with the FCC and the Federal Aviation Administration. Except as set forth on *Schedule 6(h)* hereto, (i) there is no action, suit or proceeding pending or, to Grantor's knowledge, threatened in writing against Grantor or the Company in respect of the Stations seeking to enjoin the transactions contemplated by this Agreement; and (ii) to Grantor's knowledge, there are no governmental claims or investigations pending or threatened against Grantor or the Company in respect of any Station (except those affecting the broadcasting industry generally).

(i) No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Grantor or the Company or any other party acting on Grantor's or the Company's behalf. The parties agree that *Schedule 6(h)* hereto may be updated by Grantor as of the Option Closing Date.

**7. Representations and Warranties of Option Holder.** Option Holder represents and warrants to Grantor and the Company as follows:

(a) Option Holder is a corporation duly formed, validly existing and in good standing under the laws of the State of Delaware.

(b) Option Holder has the organizational power and authority to enter into and perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement by Option Holder has been duly authorized and this Agreement constitutes a valid and binding obligation of Option Holder enforceable against it in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights in general and subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(d) No broker, finder or other person is entitled to a commission, brokerage fee or other similar payment in connection with this Agreement or the transactions contemplated hereby as a result of any agreement or action of Option Holder or any party acting on Option Holder's behalf.

8. ***Covenants of Grantor and the Company.*** During the Option Period, and subject to the Covered Sharing Agreement, and the performance by Option Holder of its obligations thereunder, Grantor and the Company, jointly and severally, covenant to:

(a) Maintain insurance on the Station Assets and with respect to the operation of the Station in such amounts and in such nature as in effect on the date hereof;

(b) Operate the Stations in all material respects in accordance with the terms of the FCC Licenses, the Communications Act of 1934, as amended (the "***Communications Act***"), the rules and published policies of the FCC ("***FCC Rules***") and all other statutes, ordinances, rules and regulations of governmental authorities;

(c) Refrain from taking any action that would cause the FCC Licenses not to be in full force and effect or to be revoked, suspended, cancelled, rescinded, terminated or expired;

(d) File all material returns, reports, and statements that Grantor or the Company, as the case may be, is required to file with the FCC;

(e) Other than pursuant to the Acquisition Financing Arrangement, not mortgage, pledge, subject to any lien or otherwise encumber (or cause any of the foregoing to occur) any of the Station Assets, the Subject Interests or any other outstanding equity interests or assets of Grantor or the Company;

(f) Not sell, lease or otherwise dispose of any of the Station Assets in a manner that is inconsistent with this Agreement, except for properties and assets sold or replaced with others of like kind and value in the ordinary course of business; and

(g) Upon the written request of Option Holder (but no more often than once each fiscal quarter), issue a certification by Grantor as to the current compliance of Grantor and

Company with respect to the representations and warranties set forth in Section 6(f) hereof, together with any reasonable documentation, company records and ledgers reflecting the equity interests of the covered entities (which certification and other information Grantor and Company hereby acknowledge may be provided by Option Holder to its lenders).

(h) In the event that there shall be any Outstanding Debt as of the Option Closing, subject to payment of the Cash Purchase Price by Option Holder, the indebtedness corresponding thereto shall be discharged as of the Option Closing.

Notwithstanding anything to the contrary contained herein, to the extent that the obligations of Grantor or the Company hereunder would require the incurrence of an Other Expense as defined in the Covered Sharing Agreement, such obligation or covenant shall be subject to the terms and conditions of the Covered Sharing Agreement.

9. **Grantor and the Company Closing Conditions.** Subject to the exercise of the Option pursuant to the terms and subject to the conditions of this Agreement, the obligations of Grantor and the Company hereunder are subject to satisfaction or waiver by Grantor or the Company, at or prior to the Option Closing, of each of the following conditions:

(a) **Representations, Warranties and Covenants.** The representations and warranties of Option Holder made in this Agreement shall be true and correct in all material respects at and as of the Option Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Option Holder at or prior to the Option Closing shall have been complied with or performed in all material respects. Grantor shall have received a certificate dated as of the Option Closing Date from Option Holder, executed by an authorized officer of Option Holder, to the effect that the conditions set forth in this Section 9(a) have been satisfied.

(b) **FCC Consent.** With respect to any exercise of the Option for the Subject Interests or the Station Assets, the FCC Consent shall have been obtained and be in effect and no court or governmental order prohibiting the Option Closing shall be in effect.

(c) **No Prohibitions.** No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

10. **Option Holder Closing Conditions.** Subject to the exercise of the Option pursuant the terms and subject to the conditions of this Agreement, the obligations of Option Holder hereunder are subject to satisfaction or waiver by Option Holder, at or prior to the Option Closing, of each of the following conditions:

(a) **Representations, Warranties and Covenants.** The representations and warranties of Grantor and the Company made in this Agreement shall be true and correct in all material respects at and as of the Option Closing Date except for changes permitted or contemplated by the terms of this Agreement, and the covenants and agreements to be complied with and performed by Grantor and the Company at or prior to the Option Closing shall have been complied with or performed in all material respects. Option Holder shall have received certificates dated as of the Option Closing Date from each of the Company and Grantor,

executed by an authorized officer of each of the Company and Grantor to the effect that the conditions set forth in this Section 10(a) have been satisfied.

(b) **FCC Consent.** With respect to any exercise of the Option for the Subject Interests or the Station Assets, the FCC Consent shall have been obtained and constitute a Final Order, and no court or governmental order prohibiting the Option Closing shall be in effect. For purposes hereof, "**Final Order**" shall mean an action by the FCC or other regulatory authority having jurisdiction (i) with respect to which action no timely request for stay, motion or petition for reconsideration or rehearing, application or request for review or notice of appeal or other judicial petition for review is pending and (ii) as to which the time for filing any such request, motion, petition, application, appeal or notice and for entry of orders staying, reconsidering or reviewing on the FCC's or such other regulatory authority's own motion has expired.

(c) **No Prohibitions.** No injunction, restraining order or decree of any nature of any governmental authority of competent jurisdiction shall be in effect that restrains or prohibits any party from consummating the transactions contemplated by this Agreement.

11. **Option Closing Deliveries.**

(a) **Purchase of Subject Interests.**

(i) **Grantor Documents.** Subject to the exercise of the Option with respect to the Subject Interests pursuant to the terms and subject to the conditions of this Agreement, at the Option Closing Grantor shall deliver or cause to be delivered to Option Holder:

(A) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, by Grantor;

(B) the certificates described in Section 10(a) hereof;

(C) all certificates, if any, evidencing the Subject Interests, duly endorsed for transfer to Option Holder accompanied by appropriate powers duly endorsed for transfer to Option Holder;

(D) a certificate from the Secretary of State of the State of Delaware as to the Company's good standing and payment of all taxes in such jurisdiction dated within three days of the Option Closing Date; and

(E) such other documents, certificates, payments, assignments, transfers and other deliveries as Option Holder may reasonably request and as are customary to effect a closing of the matters herein contemplated.

(ii) **Option Holder Documents.** Subject to the exercise of the Option with respect to the Subject Interests pursuant to the terms and subject to the conditions of this Agreement, at the Option Closing Option Holder shall deliver or cause to be delivered to Grantor:



(A) the certificate described in Section 9(a) hereof;

(B) the Cash Purchase Price; and

(C) such other documents, certificates, payments, assignments, transfers and other deliveries as Grantor may reasonably request and as are customary to effect a closing of the matters herein contemplated.

(b) ***Purchase of Station Assets.***

(i) ***Company Documents.*** Subject to the exercise of the Option with respect to the Station Assets pursuant to the terms and subject to the conditions of this Agreement, at the Option Closing Grantor and the Company shall deliver or cause to be delivered to Option Holder:

(A) certified copies of resolutions authorizing the execution, delivery and performance of this Agreement, including the consummation of the transactions contemplated hereby, by Grantor and the Company;

(B) the certificates described in Section 10(a) hereof;

(C) the Assignment and Assumption Agreement in the form attached hereto as *Exhibit A*;

(D) the Assignment and Assumption Agreement FCC Licenses in the form attached hereto as *Exhibit B*; and

(E) such other bills of sale, assignments and other instruments of conveyance, assignment and transfer as may be necessary to convey, transfer and assign to Option Holder the Station Assets, free and clear of Liens, except for Permitted Liens.

(ii) ***Option Holder Documents.*** Subject to the exercise of the Option with respect to the Station Assets pursuant to the terms and subject to the conditions of this Agreement, at the Option Closing Option Holder shall deliver or cause to be delivered to Grantor and the Company:

(A) the certificate described in Section 9(a) hereof;

(B) the Cash Purchase Price;

(C) the Assignment and Assumption Agreement in the form attached hereto as *Exhibit A*;

(D) the Assignment and Assumption Agreement FCC Licenses in the form attached hereto as *Exhibit B*; and

(E) such other documents and instruments of assumption as may be necessary to assume the Assumed Obligations.

12. ***Survival; Indemnification.***

(a) ***Survival.*** The representations and warranties in this Agreement shall survive the Option Closing for twelve months after the Option Closing Date, whereupon they shall expire and be of no further force or effect, except those under this Section 12 that relate to Damages for which written notice is given by the Indemnified Party to the Indemnifying Party prior to such expiration, which shall survive until resolved.

(b) ***Indemnification.***

(i) Subject to the limitations set forth in Section 12(d) below, from and after the Option Closing, Grantor and the Company shall defend, indemnify and hold harmless Option Holder, and any employee, officer, director, manager, member, stockholder or agent of Option Holder, from and against any and all losses, costs, damages, claims, suits, actions, judgments, liabilities and expenses, including reasonable attorneys' fees and expenses ("***Damages***"), incurred by such Indemnified Party (as defined below) arising out of or resulting from (A) any material inaccuracy in, or breach or nonfulfillment of, any of the representations, warranties, covenants or agreements made by Grantor or the Company in this Agreement or default by Grantor or the Company under this Agreement, or (B) in the case of the sale of the Station Assets, obligations or liabilities of Grantor or the Company regarding the Station other than the Assumed Obligations.

(ii) From and after the Option Closing, Option Holder shall defend, indemnify and hold harmless Grantor, and any employee, officer, director, manager, member, stockholder or agent of Grantor, from and against any and all Damages incurred by such Indemnified Party arising out of or resulting from (A) any material inaccuracy in, or breach or nonfulfillment of, any of the representations, warranties, covenants or agreements made by Option Holder in this Agreement or default by Option Holder under this Agreement; (B) the Assumed Obligations, in the case of the sale of the Station Assets, or the business or operations of the Station after the Option Closing Date; and (C) any taxes owed by Option Holder for any period following the Option Closing Date.

(iii) From and after the Effective Date, Option Holder shall defend, indemnify and hold harmless Grantor, and any employee, officer, director, manager, member, stockholder or agent of Grantor, from and against any and all Damages incurred by such Indemnified Party arising out of or resulting from (A) in the case of the sale of the Station Assets, the performance of the Company's obligations under the Purchase Agreement, (B) the business or operations of the Station during the period prior to the Effective Date, (C) any act or omission, event or occurrence that was or shall be caused by Option Holder, its agents or affiliates (including any predecessor in interest thereto) relating to the business or operations of Option Holder or the Station, (D) the operation of the Station or the conduct of the business thereof from and after the Effective Date and continuing through the Option Period and any extensions thereof (including without limitation in connection with any fines or penalties imposed by the FCC), except to the extent arising from, or relating to, or as a result of, the actions or omissions of Grantor's or the Company's employees and representatives in performing their duties, or in acting outside the scope of their employment, with respect to the operation of the Station during the Option Period and any extensions thereof, which actions or omissions

constitute willful misconduct or gross negligence, and (E) the negotiation and the document preparation and execution relating to the Purchase Agreement, this Agreement, the Covered Sharing Agreement and any amendments thereto and, with respect to this Agreement, any agreements or documents in connection with the exercise of the Option hereunder; *provided, however*, that this paragraph (iii) shall not extend to Damages to the extent arising out of or resulting from a breach by Grantor or the Company of their representations, warranties, covenants or agreements in this Agreement or the Purchase Agreement or from the gross negligence or willful misconduct of Grantor or the Company or any of their employees, agents or affiliates.

(iv) Option Holder agrees to indemnify, hold harmless and make whole Grantor, to the extent that Grantor (and any of its direct or indirect owners as the result of the pass-through of any income of gain from such sale) suffers or incurs any tax liability arising out of, or directly attributable to, the sale or deemed sale of its assets in exchange for the Cash Purchase Price. To the extent Grantor (and any of its direct or indirect owners) has any suspended losses attributable to its ownership of such assets that are allowed on the sale or deemed sale of its assets to offset any gain or income arising from such sale, Grantor's tax liability shall be determined after taking into account any such suspended losses. In addition, Option Holder shall pay additional amounts to ensure that Grantor (and any of its direct or indirect owners as the result of the pass-through of any income of gain from such sale) is fully grossed up to the extent reasonably practicable with respect to both the tax liability and any resulting tax liability attributable to any payments made under this provision.

(c) *Indemnification Procedures.*

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

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

(iii) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will be liable for all Losses paid or incurred in connection therewith and the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Agreement), in which case the consent of the Indemnified Party shall not be required.

(iv) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(v) It is the intent of the parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this Section 12(c). Any claim under this Section 12(c) by an Indemnified Party for indemnification other than indemnification against a Third Party Claim (a “**Direct Claim**”) will

be asserted by giving the Indemnifying Party reasonably prompt written notice thereof, and the Indemnifying Party will have a period of 20 days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20 day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 12(c).

(vi) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 12(c) shall not affect the rights or obligations of either party hereunder except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

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

(d) NEITHER PARTY HERETO SHALL BE LIABLE TO THE OTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR EXEMPLARY DAMAGES (EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES).

13. ***Specific Performance.*** Grantor, the Company and Option Holder acknowledge and agree that, due to the unique nature of the subject matter of this Agreement, Option Holder would suffer irreparable damages in the event of breach of this Agreement, which damages could not adequately be compensated except by specific performance of this Agreement. Accordingly, without limiting any other remedy that may be available to Option Holder at law or equity, in the event of a breach by Grantor or the Company of this Agreement, it is agreed that Option Holder shall be entitled to temporary and permanent injunctive relief, including, but not limited to, specific performance hereof, without any showing of actual damage or inadequacy of legal remedy, in any proceeding before a court of law with proper jurisdiction to hear the matter, which may be brought to enforce this Agreement. Grantor and the Company hereby waive any defense that there is an adequate remedy at law for such breach of this Agreement.

14. ***Expenses.*** Option Holder agrees to reimburse Grantor, within fifteen (15) days of invoicing with reasonable documentation, for its-reasonable and customary fees, costs and out-of-pocket expenses, including filing fees and reasonable and customary attorneys' fees, incurred in connection with the performance of its covenants and obligations hereunder; *provided, however*, that, for the avoidance of doubt, Option Holder shall have no reimbursement obligation

with respect to claims, actions or proceedings brought by or on behalf of Grantor or the Company against Option Holder.

15. **Further Assurances.** Subject to the terms and conditions of this Agreement, each of the parties hereto will use all commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate and make effective the transactions contemplated by this Agreement.

16. **Amendment and Modification.** This Agreement may be amended, modified or supplemented only by written agreement of Grantor, the Company and Option Holder.

17. **Waiver of Compliance; Consents.** Except as otherwise provided in this Agreement, any failure of any of the parties to comply with any obligation, representation, warranty, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, representation, warranty, covenant, agreement or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure. Whenever this Agreement requires or permits consent by or on behalf of any party hereto, such consent shall be given in writing in a manner consistent with the requirements for a waiver of compliances as set forth in this Section 17.

18. **Notices.** All notices, requests, demands and other communications which are required or may be given pursuant to the terms of this Agreement shall be in written or electronic form, and shall be deemed delivered (a) on the date of delivery when (i) delivered by hand or (ii) sent by reputable overnight courier maintaining records of receipt and (b) on the date of transmission when sent by facsimile or other electronic transmission during normal business hours with confirmation of transmission by the transmitting equipment; *provided, however*, that any such communication delivered by facsimile or other electronic transmission shall only be effective if such communication is also delivered by hand or deposited with a reputable overnight courier maintaining records of receipt within two business days after its delivery by facsimile or other electronic transmission. All such communications shall be addressed to the parties at the address set forth in *Exhibit C*, or at such other address as a party may designate upon ten days' prior written notice to the other party.

19. **Assignment.** This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. This Agreement may be assigned as follows:

19.1 Without the consent of Grantor and the Company, Option Holder may assign its rights and obligations under this Agreement to any other party or parties; *provided, however*, that Option Holder, as assignor, shall not thereby be released of its obligations hereunder.

19.2 Without the consent of Option Holder, Grantor and the Company shall assign their respective rights and obligations under this Agreement to any third party to whom

the Company or substantially all of the assets thereof is sold that is not in connection with an exercise of the Option hereunder.

20. **No Third Party Beneficiaries.** Except as expressly provided herein, this Agreement is not intended to, and shall not, confer upon any other person except the parties hereto any rights or remedies hereunder.

21. **Governing Law; Waiver of Jury Trial.** This Agreement shall be construed and governed in accordance with the laws of New York without reference to the conflict of laws principles thereof that would cause the application of the laws of any jurisdiction other than the State of New York. THE PARTIES SPECIFICALLY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY COURT WITH RESPECT TO ANY CONTRACTUAL, TORTIOUS, OR STATUTORY CLAIM, COUNTERCLAIM, OR CROSS-CLAIM AGAINST THE OTHER ARISING OUT OF OR CONNECTED IN ANY WAY TO THIS AGREEMENT, BECAUSE THE PARTIES HERETO, BOTH OF WHOM ARE REPRESENTED BY COUNSEL, BELIEVE THAT THE COMPLEX COMMERCIAL AND PROFESSIONAL ASPECTS OF THEIR DEALINGS WITH ONE ANOTHER MAKE A JURY DETERMINATION NEITHER DESIRABLE NOR APPROPRIATE.

22. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid or enforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in any acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

23. **Publicity.** None of Grantor, the Company or Option Holder shall make or issue or cause to be made or issued, any announcement (written or oral) concerning this Agreement or the transactions contemplated hereby for dissemination to the general public without the prior consent of the other party. This provision shall not apply, however, to any announcement or written statement required to be made by law or the regulations of any federal or state governmental agency or any stock exchange, except that the party required to make such announcement shall provide a draft copy thereof to the other party hereto, and consult with such other party concerning the timing and content of such announcement, before such announcement is made.

24. **Public Inspection File; Confidentiality.** To the extent required by the Communications Act or the FCC Rules, each party shall place a copy of this Agreement in its public inspection file and shall consult with and agree upon the confidential and proprietary information herein that shall be redacted from such copy.

25. ***FCC Approval; Compliance with Laws.***

(a) Notwithstanding any provision to the contrary herein, Option Holder's rights under this Agreement, including the exercise of the Option, are subject to applicable law, including the Communications Act and the FCC Rules.

(b) As soon as reasonably practicable, but in no event later than five (5) business days after Option Holder's delivery of the Exercise Notice with respect to the Subject Interests or the Station Assets, the parties shall file an application (the "***Consent Application***") with the FCC requesting the FCC's written consent to (i) the assignment of the FCC Licenses from the Company to Option Holder or (ii) the transfer of control of the Company from Grantor to Option Holder, as the case may be, including, as applicable, any waiver of such FCC Rules as Option Holder may deem appropriate or desirable (a "***Waiver Request***"). In addition, in connection with foregoing, each party hereto covenants and agrees to (u) prepare, file and prosecute any alternative application, petition, motion, request (including any Waiver Request) or other filing (including, upon the request of Option Holder, any motion for leave to withdraw or dismiss any Consent Application or other filing made by the parties in connection with the transactions contemplated by this Agreement) (collectively, the "***Additional Applications***") and, together with the Consent Application, the "***FCC Applications***"; (v) file any amendment or modification to the FCC Applications; (w) provide to Option Holder any information, documents or other materials reasonably requested by Option Holder in connection with the preparation of any such FCC Applications, including without limitation any Waiver Request; (x) prosecute the FCC Applications with commercially reasonable diligence and otherwise use their commercially reasonable efforts to obtain a favorable conclusion with regard to the FCC Applications; (y) otherwise take any other action with respect to the FCC as may be reasonably necessary or reasonably requested by Option Holder in connection with the transactions contemplated hereby; and (z) cooperate in good faith with the other party with respect to the foregoing covenants, all as may be determined by Option Holder to be reasonably necessary or appropriate or advisable in order to consummate the transactions contemplated hereby upon the exercise of the Option. Each party shall promptly provide the other with a copy of any pleading, order or other document served on it relating to the FCC Applications, shall furnish all information required by the FCC and shall be represented at all meetings or hearings scheduled to consider the FCC Application. The FCC's written consent to the assignment of the FCC Licenses or transfer of the Subject Interests, as the case may be, contemplated hereby is referred to herein as the "***FCC Consent***." The parties each agree to comply with any condition imposed on them by any FCC Consent, except that no party shall be required to comply with a condition if such condition requires such party to divest any of its direct or indirect assets. The parties shall oppose any petitions to deny or other objections filed with respect to the application for any FCC Consent and any requests for reconsideration or review of any FCC Consent.

26. ***Headings; Defined Terms.*** The section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Agreement. Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Covered Sharing Agreement.

27. ***Counterparts.*** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the



same instrument. The delivery of an executed counterpart of the Agreement by facsimile or electronic transmission will be deemed to be an original counterpart of the Agreement so transmitted.

28. ***Entire Agreement.*** This Agreement, including the documents delivered pursuant to this Agreement or other written agreements referring specifically to this Agreement, including the Covered Sharing Agreement, embody the entire agreement and understanding of the parties hereto in respect of the transactions contemplated by this Agreement. The Schedule(s) and Exhibit(s) hereto are an integral part of this Agreement and are incorporated by reference herein. This Agreement and the Covered Sharing Agreement supersede all prior negotiations, agreements and understandings between the parties with respect to the transactions contemplated by this Agreement and any other writings executed prior to the date hereof relating to such negotiations, agreements and understandings.


[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have executed this Option Agreement as of the day and year first written above.

**COMPANY:**

**SANDER OPERATING CO. I LLC (D/B/A  
WHAS TELEVISION)**

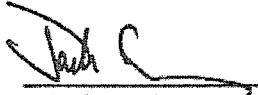
**BY: SANDER MEDIA LLC, MANAGER**

By:   
Name: Jack Sander  
Title: Manager

**GRANTOR:**

**SANDER HOLDINGS CO. LLC**

**BY: SANDER MEDIA LLC, MANAGER**

By:   
Name: Jack Sander  
Title: Manager

**OPTION HOLDER:**

**GANNETT CO., INC.**

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

IN WITNESS WHEREOF, the undersigned have executed this Option Agreement as of the day and year first written above.

**COMPANY:**

**SANDER OPERATING CO. I LLC (D/B/A  
WHAS TELEVISION)**

**BY: SANDER MEDIA LLC, MANAGER**

By: \_\_\_\_\_  
Name: Jack Sander  
Title: Manager

**GRANTOR:**

**SANDER HOLDINGS CO. LLC**

**BY: SANDER MEDIA LLC, MANAGER**

By: \_\_\_\_\_  
Name: Jack Sander  
Title: Manager

**OPTION HOLDER:**

**GANNETT CO., INC.**

By: Todd Mayman  
Name: TODD MAYMAN  
Title: SENIOR VICE PRESIDENT

## Exhibit A -- Form of Assignment Agreement

This Assignment and Assumption Agreement (this "**Agreement**") is made as of [•] [•], 20[•], by and among Sander Operating Co. I LLC (d/b/a WHAS Television), a Delaware limited liability company ("**Seller**"), and Gannett Co., Inc., a Delaware corporation ("**Buyer**").

### WITNESSETH:

**WHEREAS**, Seller, Sander Holdings Co. LLC and Buyer are parties to that certain Option Agreement, dated as of December 23, 2013 (the "**Option Agreement**"); and

**WHEREAS**, Seller desires to assign to Buyer all of Seller's right, title and interest in, to and under the contracts relating to the business of the Station (as defined in the Option Agreement) (collectively, the "**Assumed Contracts**"), and Buyer is willing to accept assignment of such rights and assume such duties and obligations arising under or in connection with the Assumed Contracts, in each case pursuant to the terms and subject to the conditions of the Option Agreement and this Agreement (including Section 6 hereof).

**NOW, THEREFORE**, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, Seller and Buyer, intending to be legally bound, hereby agree as follows:

1. **Defined Terms; Interpretation.** Except as otherwise set forth herein, capitalized terms used herein have the meanings assigned to them in the Option Agreement.
2. **Assignment and Assumption.** Pursuant to the terms and subject to the conditions of the Option Agreement and effective as of the date hereof, (a) Seller hereby conveys, assigns, and transfers to Buyer, its successors and assigns, all of Seller's rights, titles and interests in, to and under the Assumed Contracts, free and clear of any and all liens, and delegate to Buyer all of its duties and obligations to be performed, or arising on or after the date hereof in connection with or under the Assumed Contracts, and (b) Buyer hereby accepts the above assignment of rights and delegation of duties and obligations and agrees to be bound by and to assume such duties and obligations arising under or in connection with the Assumed Contracts to be performed or arising on or after the date hereof.
3. **Further Assurances.** Each party to this Agreement agrees to execute, acknowledge, deliver, file and record, and to cause to be executed, acknowledged, delivered, filed and recorded, such further certificates, instruments, and documents and to do, and cause to be done, all such other acts and things, as may be required by law, or as may, in the reasonable opinion of the other party hereto, be necessary or advisable to carry out the purposes of this Agreement.
4. **Binding Effect; Amendments.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No modification, amendment or waiver of any provision of, or consent or approval required by, this Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the party against whom enforcement of any such modification, amendment, waiver, consent or approval is sought.

5. ***Governing Law.*** The construction and performance of this Agreement shall be governed by the laws of the State of New York without giving effect to the choice of law provisions thereof.

6. ***Option Agreement Controlling.*** Notwithstanding any other provisions of this Agreement to the contrary, nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, or any of the obligations, of Seller or Buyer set forth in the Option Agreement. This Agreement is subject to and controlled by the terms of the Option Agreement.

7. ***Counterparts.*** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The delivery of an executed counterpart of the Agreement by facsimile or electronic transmission will be deemed to be an original counterpart of the Agreement so transmitted.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the undersigned have executed this Assignment Agreement as of the day and year first written above.

**SELLER:**  
**SANDER OPERATING CO. I LLC (D/B/A**  
**WHAS TELEVISION)**

**BY: SANDER MEDIA LLC, MANAGER**

By: \_\_\_\_\_  
Name: Jack Sander  
Title: Manager

**BUYER:**  
**GANNETT CO., INC.**

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

**Exhibit B -- Form of Assignment and Assumption Agreement FCC Licenses**

**ASSIGNMENT AND ASSUMPTION AGREEMENT  
FCC LICENSES**

This Assignment and Assumption Agreement, dated as of [•][•], 20[•] (“*Agreement*”), is made, executed and delivered by Sander Operating Co. I LLC (d/b/a WHAS Television), a Delaware limited liability company (“*Assignor*”), and Gannett Co., Inc., a Delaware corporation (“*Assignee*”).

**WITNESSETH:**

**WHEREAS**, pursuant to Assignee’s exercise of the option to purchase, among other assets, the FCC Licenses listed on Attachment A attached hereto (the “*FCC Licenses*”) granted to Assignee by Assignor under that certain Option Agreement, dated as of December 23, 2013, by and among Assignor, Sander Holdings Co. LLC and Assignee (the “*Option Agreement*”), Assignor has agreed to convey and assign to Assignee, and Assignee has agreed to assume, subject to the consent of the Federal Communications Commission (the “*FCC*”), the FCC Licenses;

**WHEREAS**, the FCC has granted its consent to the assignment of the FCC Licenses from Assignor to Assignee; and

**WHEREAS**, Assignor desires to transfer and assign to Assignee all of Assignor’s right, title and interest in and to the FCC Licenses and Assignee desires to assume Assignee’s obligations with respect thereto;

**NOW, THEREFORE**, in consideration of the premises and the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee, intending to be legally bound, hereby agree as follows:

1. Capitalized terms used herein but not defined herein shall have the meanings ascribed to such terms in the Option Agreement.
2. Assignor does hereby assign and deliver to Assignee all right, title and interest in and to the FCC Licenses. Assignor shall remain liable for all of the obligations and liabilities arising under the FCC Licenses insofar as such obligations and liabilities relate to the time period prior to the Option Closing Date.
3. Assignee hereby agrees that it shall assume and discharge and perform, insofar as they relate to the time period beginning on and after the Option Closing Date, all the obligations and liabilities of Assignor under the FCC Licenses. Assignee shall not assume any other obligations or liabilities of the Assignor pursuant to this Agreement.
4. Assignor and Assignee shall each execute and deliver such other documents and take such other actions as the other party hereto may reasonably request, at the FCC or otherwise, to confirm the assignment executed hereby and to vest title in and to the FCC

Licenses in Assignee, except that Assignee shall promptly execute and file a consummation notice at the FCC as required by FCC Rules, a copy of which shall be delivered to Assignor.

5. Notwithstanding any other provisions of this Agreement to the contrary, nothing contained herein shall in any way supersede, modify, replace, amend, change, rescind, waive, exceed, expand, enlarge or in any way affect the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, and any of the obligations, of Assignor set forth in the Option Agreement, including, without limitation, any limits on indemnification specified therein. This Agreement is subject to and controlled by the terms of the Option Agreement. Nothing contained herein is intended to modify or supersede any of the provisions of the Option Agreement.

6. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

7. The construction and performance of this Agreement shall be governed by the laws of the State of New York without giving effect to the choice of law provisions thereof.

8. This Agreement cannot be amended, supplemented, or changed except by an agreement in writing that is signed by the parties hereto.

9. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The delivery of an executed counterpart of the Agreement by facsimile or electronic transmission will be deemed to be an original counterpart of the Agreement so transmitted.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF, Assignor and Assignee have executed this Agreement as of the date first above written.

**ASSIGNOR:**

**SANDER OPERATING CO. I LLC (D/B/A  
WHAS TELEVISION)**

**BY: SANDER MEDIA LLC, MANAGER**

By: \_\_\_\_\_

Name: Jack Sander

Title: Manager

**ASSIGNEE:**

**GANNETT CO., INC.**

By: \_\_\_\_\_

Name:

Title:

**ATTACHMENT A**

**FCC Licenses**

**Exhibit C - Notices**

If to Option Holder, to:

Gannett Co., Inc.  
7950 Jones Branch Drive  
McLean, VA 22107-0830  
Attention: Todd A. Mayman, Senior Vice President and General Counsel  
Phone: 703-854-6846  
Fax: 703-854-2031

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

Paul Hastings LLP  
875 15<sup>th</sup> Street, N.W.  
Washington, DC 20005  
Attention: Eric Dodson Greenberg, Esq.  
Phone: 202-551-1343  
Fax: 202-551-0343

If to Grantor or the Company to:

Sander Holdings Co. LLC  
28150 N. Alma School Parkway #103 PMB 509  
Scottsdale, AZ 85262  
Phone: 480-563-8872  
Fax: 480-699-8752

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

Dow Lohnes PLLC  
1200 New Hampshire Avenue, N.W.  
Washington, DC 20036  
Attention: John R. Feore  
Phone: 202-776-2786  
Fax: 202-776-4786

and to

Gust Rosenfeld PLC  
One East Washington Street  
Suite 1600  
Phoenix, Arizona 85004-2553  
Attention: Tom Chauncey  
Phone: 602-254-7457  
Fax: 602-252-8236

### Schedule 5(a)

1. The “**Cash Purchase Price**” shall be an amount calculated as follows:

- 1.1 The “Cash Purchase Price” shall be the product of (a) the annualized average Station EBITDA for the Trailing Period *multiplied by* (b) nine and four-tenths (9.4).

- 1.2 In the event that there is, as of the time of the Option Closing, Outstanding Debt, then in no event shall the Cash Purchase Price be less than the Outstanding Debt.

2. For purposes of this Agreement:

- 2.1 “**Station EBITDA**” means, with respect to the business of the Station, total revenues of the Station *minus* total expenses of the Station (including all Services Fees and other similar fees or payments) *plus* without duplication and to the extent already deducted (and not added back) the sum of the following: (a) consolidated interest expense, (b) provisions for federal, state, local and foreign taxes based on income or gains, (c) total depreciation expense and (d) total amortization expense; *provided, however*, that notwithstanding the foregoing, there shall be excluded from the foregoing calculation the following: (y) any extraordinary, unusual or non-recurring gains or losses and (z) any cumulative effect of changes in accounting principles or policies.

- 2.2 The “**Trailing Period**” shall be the period from the Effective Date through the Determination Date, provided that from and after the second anniversary of the Effective Date, the Trailing Period shall be deemed to be the twenty-four (24) month period trailing the Determination Date.

- 2.3 “**Determination Date**” shall be the last day of the calendar month sixty (60) days prior to the exercise of the Option (but in no event earlier than the Effective Date).

- 2.4 The “**Outstanding Debt**” shall be an amount equal to the sum of the total outstanding balance of debt as of the date of the Option Closing, if any, for borrowed money owed by the Company pursuant to the Acquisition Financing Arrangement with respect to or otherwise allocable to the Station.

## ASSIGNMENT

THIS ASSIGNMENT (this "**Assignment**") is effective as of December 23, 2013 (the "**Effective Date**"), by and among (i) Gannett Co., Inc., a Delaware corporation ("**Assignor**"), and (ii) Belo Kentucky, Inc., a Kentucky corporation ("**Assignee**").

### WITNESSETH:

**WHEREAS**, reference is made to that certain Agreement and Plan of Merger (the "**Merger Agreement**"), dated as of June 12, 2013, by and among Assignor, Delta Acquisition Corporation, a Delaware corporation and wholly-owned subsidiary of Assignor ("**MergerSub**"), and Belo Corp., a Delaware corporation ("**Belo**"), pursuant to which, at the Effective Date, Belo merged with and into MergerSub, with Belo surviving the transactions contemplated by the Merger Agreement as a wholly-owned subsidiary of Assignor;

**WHEREAS**, Assignor, Sander Holdings Co. LLC, a Delaware limited liability company ("**Holdings**"), and Sander Operating Co. I LLC (d/b/a WHAS Television), a Delaware limited liability company, entered into that certain Option Agreement, dated as of the Effective Date (the "**Option Agreement**");

**WHEREAS**, Assignor, Holdings, and Sander Media LLC, a Delaware limited liability company, entered into that certain Parent Option Agreement, dated as of the Effective Date (the "**Parent Option Agreement**");

**WHEREAS**, Assignor's rights under the Option Agreement and the Parent Option Agreement are freely assignable to Assignee without obtaining the consent of any other party, and Assignor entered into the Option Agreement and the Parent Option Agreement with the intent of assigning its rights thereunder to Assignee.

**NOW, THEREFORE**, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, Assignor and Assignee, intending to be legally bound, hereby agree as follows:

1. **Assignment and Assumption.** Assignor hereby conveys, assigns, and transfers to Assignee, its successors and permitted assigns, Assignor's rights under and pursuant to the Option Agreement and delegates to Assignee all of its duties and obligations to be performed on or after the Effective Date under the Option Agreement. Assignor further hereby conveys, assigns, and transfers to Assignee, its successors and permitted assigns, on a pro rata basis with the other applicable subsidiaries of Belo (in proportion to the purchase price paid for the station assets of such Belo subsidiary), Assignor's rights under and pursuant to the Parent Option Agreement and delegates to Assignee, on a pro rata basis with the other applicable subsidiaries of Belo (in proportion to the purchase price paid for the station assets of such Belo subsidiary), all of its duties and obligations to be performed on or after the Effective Date under the Parent Option Agreement. Assignee hereby accepts the above assignments of rights and delegations of duties and obligations described above and agrees to be bound by and to assume such duties and obligations.

2. **Further Assurances.** Each party to this Agreement agrees to execute, acknowledge, deliver, file and record, and to cause to be executed, acknowledged, delivered, filed and recorded, such further certificates, instruments, and documents and to do, and cause to be done,

all such other acts and things, as may be required by law, or as may, in the reasonable opinion of the other party hereto, be necessary or advisable to carry out the purposes of this Agreement.

3. ***No Third-Party Beneficiaries.*** This Agreement shall not confer any rights or remedies upon any person other than the parties hereto and their respective successors and permitted assigns.


4. ***Binding Effect; Amendments.*** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns. No modification, amendment or waiver of any provision of, or consent or approval required by, this Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the party against whom enforcement of any such modification, amendment, waiver, consent or approval is sought.

5. ***Governing Law.*** This Agreement and the transactions contemplated hereby shall be governed by and construed in accordance with the laws of the State of Delaware without reference to its choice of law rules.


[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, each of the parties has caused this Assignment Agreement to be duly executed and delivered as of January 8, 2014.

**GANNETT CO., INC.**

By:   
Name: Michael A. Hart  
Title: Treasurer

**BELO KENTUCKY, INC.**

By:   
Name: Todd A. Mayman  
Title: Secretary