

EXHIBIT C-1

**FORM OF
TRANSITION SERVICES AGREEMENT**

THIS TRANSITION SERVICES AGREEMENT, dated as of [____], 2018 (this “**Agreement**”), is by and between [_____] (“**Buyer**”) and Sinclair Television Group, Inc. (“**Seller**”).

W I T N E S S E T H:

WHEREAS, Buyer and Seller have entered into that certain Asset Purchase Agreement, dated as of _____, 2018 (the “**Purchase Agreement**”);

WHEREAS, in connection with the transactions contemplated by the Purchase Agreement, Buyer desires that Seller provide certain transition services to Buyer after the Closing with respect to KDSM, WXMI, WPMT, WRLH, WOLF / WQMY / WSWB, KOKH, and WXLV (collectively, the “**Stations**”); and

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

NOW, THEREFORE, in consideration of the mutual terms, conditions and agreements set forth herein, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

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

ARTICLE II

SERVICES

2.1 Services to be Provided by Seller. On the terms and subject to the conditions set forth herein, Seller shall provide, independently or through other parties providing services to Seller, to Buyer the transition services described in the Services Schedule (the “**Services Schedule**”) in Schedule A attached hereto (“**Transition Services**”). Any functions, responsibilities, activities or tasks that are not specifically described in this Agreement or the Services Schedule, but that (i) are reasonably required for the proper performance and delivery of the Transition Services and (ii) are a necessary or inherent part of the Transition Services, shall be deemed to be implied by and included within the scope of the Transition Services (subject to any limitations set forth in this Agreement or in the Services Schedule) to the same extent and in the same manner as if specifically described in this Agreement or the Services Schedule, as applicable.

2.2 Licenses to be Provided by Seller Ancillary to Services. Buyer and Seller hereby acknowledge and agree that certain licenses will be licensed, sublicensed or otherwise provided by Seller for the benefit of Buyer to the extent that such licenses or sublicenses are necessary in connection with and ancillary to the provision of the Transition Services, and that the term for which such licenses or sublicenses will be provided to Buyer will be the same as the term for which Buyer continues to receive the relevant Transition Services. Such licenses or sublicenses may be set forth on Schedule A in connection with the related Transition Services or may otherwise be provided as a necessary or inherent part of the Transition Services as set forth in Section 2.1 hereof, and, whether or not specifically itemized on Schedule A, may include licenses to software, proprietary intellectual property assets, or other systems or Buyer.

2.3 Cooperation and Transitional Nature of Services. From the Closing Date until the expiration or termination of each of the Transition Services, each of the parties agrees to use its reasonable good faith efforts to work together so that the provision of Transition Services may be transitioned to Buyer as soon as is reasonably practicable. Buyer and Seller shall cooperate with each other in all reasonable respects in the performance by Seller of the Transition Services. For clarity, no additional fees shall be charged or payable with respect to the cooperation and transitional services set forth in this Section 2.3.

ARTICLE III

COMPENSATION

3.1 Service Fees.

(a) Subject in all respects to Section 5.1 hereof, and except for fees with respect to Digital Hub Services, which shall be as set forth in Section 3.1(b), the fees payable to Seller for each Transition Service as of the date hereof (the “**Service Fees**”) shall be based on the pro rata portion of the monthly cost (pro-rated for partial months) attributed to each such Transition Service, as set forth in the Fee Schedule (the “**Fee Schedule**”) in Schedule B attached hereto. Buyer shall remit payment for the Service Fees on or before the sixtieth day after the end of each calendar month in which the Transition Services were rendered.

(b) Subject in all respects to Section 5.1 hereof, for Digital Hub Services only, the fees payable to Seller (the “**Digital Hub Service Fees**”) shall be payable by Buyer as invoiced by Seller on a monthly basis (pro-rated for partial months), which invoice shall be calculated as set forth on the Fee Schedule. Buyer shall remit the Digital Hub Service Fees on or before the [fifteenth] day following Buyer’s receipt of such invoice.

(c) The parties hereby acknowledge that the group benefit plans that cover the Transferred Employees are self-insured plans (the “**Seller Plans**”). Accordingly, in the event that Seller’s cost of maintaining the Transferred Employees (as defined by the Purchase Agreement) on the applicable Seller Plans (including for the avoidance of doubt any claims under the insurances) exceeds the aggregate of the Service Fees paid by Buyer with respect to the HR Benefits Services, then Buyer, upon mutual agreement with Seller, shall be responsible for paying Seller a one-time true-up fee (the “**Benefit True-Up Fee**”) equal to the difference between the aggregate Service Fees paid by Buyer with respect to the HR Benefits Services and the cost

incurred by Seller to maintain the Transferred Employees on such Seller Plans (including for the avoidance of doubt any claims under the insurances) during the Initial Term with respect to the HR Benefits Services. Within 30 days after termination of the Initial Term of the HR Benefits Services, Seller shall send Buyer an invoice reflecting the proposed Benefit True-Up Fee (or \$0 balance, if no Benefit True-Up Fee is due), which, if agreed by Buyer, shall be paid by Buyer on or before the sixtieth day following Buyer's receipt of such invoice. Such invoice shall be accompanied by supporting documentation demonstrating, in reasonable detail, the manner in which the Benefit True-Up Fee, if any, was computed.

(d) Should Buyer dispute any portion of the amount due with respect to the Service Fees, the Digital Hub Service Fees, the Benefit True-Up Fee or any Third Party Pass-Through Cost, Buyer shall notify Seller in writing of the nature and basis of the dispute and Buyer's desired adjustment as soon as reasonably possible, and the parties shall use commercially reasonable efforts to resolve the dispute prior to the payment due date.

(e) For purposes of clarity, in addition to the reimbursement of Service Fees as set forth in Section 3.1(a), except to the extent specifically noted on the Fee Schedule, Buyer shall reimburse Seller for all costs, fees and charges paid by Seller to third parties in accordance with the terms and conditions of the applicable contract as in effect on the Closing Date in connection with performing the applicable Transition Services ("**Third Party Pass-Through Cost**"); provided, that all such Third Party Pass-Through Costs shall be subject to the prior written approval of Buyer except to the extent such Third Party Pass-Through Cost is expressly provided for in the applicable contract with Seller or is substantially consistent with the past practice and ordinary course of dealing between Seller and the applicable third party provider. Documentation supporting such Third Party Pass-Through Cost will be provided by Seller upon request.

ARTICLE IV

COVENANTS

4.1 Compliance with Laws. Each party shall comply, at its own expense, with the provisions of all applicable municipal requirements and those state and federal laws that may be applicable to the performance of this Agreement, including the performance of the Transition Services hereunder.

4.2 Performance. The Transition Services shall be provided with the same degree of care, skill, and prudence that Seller uses in the operation of its own broadcast television stations and in a manner consistent with the same services provided in connection with the operation of the Stations and the Purchased Assets in the ordinary course during the year prior to the Closing, including with respect to the timing of such services.

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

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

4.5 Disclaimer. EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, STATUTORY, EXPRESS OR IMPLIED, REGARDING THE SERVICES. EACH PARTY EXPRESSLY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE AND TITLE.

ARTICLE V

TERM AND TERMINATION

5.1 Term of Provision of Transition Services and Access.¹ Seller shall provide the Transition Services through and until the 180th day after the Closing Date (the “Initial Term”); provided, however, that the Initial Term with respect to Digital Hub Services shall be 90 days and the Initial Term with respect to HR Benefits Services shall be 30 days. Buyer, upon notice to Seller, may eliminate one or more categories of Transition Services provided to one or more of the Stations, whereupon such Fees related to such Services shall terminate; provided, however, that Buyer shall not be entitled, without the consent of Seller (which consent shall not be unreasonably withheld), to eliminate a specific sub-service for any Station unless it eliminates all services within such category with respect to that Station. Upon the termination of all Transition Services pursuant to this Section 5.1, this Agreement shall automatically terminate. Buyer and Seller may, by mutual consent (not to be unreasonably withheld), agree to continue any or all of the Transition Services beyond the applicable Initial Term on a month-by-month basis (any such extension, an “Extension Term,” and together with the Initial Term, the “Term”); provided, that the Service Fees and Digital Service Fees shall be increased by 10% of the Service Fee amounts set forth on the Fee Schedule for each additional month; and further provided, that in no event shall the HR Benefits Services be extended beyond the Initial Term of 30 days.

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

¹

[REDACTED]

[REDACTED]

[REDACTED]

5.3 Other Termination.

(a) Either Seller, on the one hand, or Buyer, on the other hand (the “**Initiating Party**”) may terminate this Agreement with immediate effect by notice in writing to Buyer or Seller, as the case may be, on or at any time after the other party is in material breach of any of its obligations under this Agreement and (if the breach is capable of remedy) has failed to remedy the breach within fifteen (15) days of receipt of notice in writing from the Initiating Party giving particulars of the breach and requiring the other party to remedy the breach.

(b) Without prejudice to the other rights or remedies Seller may have, Seller may terminate this Agreement with immediate effect by notice in writing to Buyer if Buyer fails to pay for a period of more than thirty (30) days any undisputed sum due and payable to Seller in accordance with Section 3.1 hereof.

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

ARTICLE VI

INDEMNIFICATION

6.1 Indemnity. To the extent not prohibited by law, and except as otherwise provided in this Agreement, each party shall indemnify and hold harmless the other party and its Affiliates and its and their officers, directors, employees and agents (“**Indemnified Parties**”) from and against any and all costs, expenses (including, without limitation, reasonable attorneys’ fees), losses, claims, suits, actions, or liabilities (collectively, “**Losses**”) in any way caused by or arising from an act or omission to act constituting gross negligence or willful misconduct of the indemnifying person or its employees, agents or contractors; provided, that, except for payment obligations under this Agreement and a party’s gross negligence and willful misconduct, in no event shall the aggregate liability of a party exceed an amount equal to the aggregate payments made by Buyer to Seller for Transition Services pursuant to this Agreement for the period preceding the date of such event giving rise to indemnification hereunder. The provisions of Section 12.04 of the Purchase Agreement are hereby incorporated by reference and shall apply, mutatis mutandis, to all indemnity claims under this Section 6.1.

6.2 Limitation on Liability. Without limiting the indemnity obligations of the parties under Section 6.1 above, the sole and exclusive remedy at law (other than with respect to claims involving fraud or willful misconduct) for any claim (whether such claim is framed in tort, contract or otherwise) arising out of a breach of any representation, warranty, covenant, agreement or undertaking in or pursuant to this Agreement shall be a claim for actual damages, which claims are independent of and in addition to any equitable rights or remedies. IN NO EVENT SHALL ANY INDEMNIFYING PARTY IN ANY CASE BE LIABLE FOR INDIRECT, CONSEQUENTIAL, PUNITIVE, SPECIAL OR OTHER SIMILAR DAMAGES ARISING FROM ANY CLAIM RELATING TO BREACH OF THIS AGREEMENT OR OTHERWISE RELATING TO ANY OF THE TRANSITION SERVICES PROVIDED HEREUNDER,

EXCEPT FOR INDIRECT OR CONSEQUENTIAL DAMAGES THAT ARE REASONABLY FORESEEABLE, OR TO THE EXTENT PAYABLE TO A THIRD PARTY OR RESULTING FROM FRAUD OR WILLFUL MISCONDUCT.

ARTICLE VII

CONFIDENTIALITY

7.1 Confidentiality. Buyer and Seller shall hold all confidential or proprietary information obtained in connection with the provision by Seller of the Transition Services or receipt by Buyer of the Transition Services and relating to Seller's or Buyer's business ("**Confidential Information**") confidential. The receiving party shall not disclose any Confidential Information of the disclosing party to any third party unless the receiving party is legally compelled to disclose such information, in which event the receiving party shall provide the disclosing party with written notice of such legal compulsion to disclose. A receiving party shall protect the disclosing party's confidential information using at least the same degree of care to prevent the unauthorized use, dissemination, distribution, disclosure or publication of such Confidential Information as the receiving party uses to protect its own Confidential Information. In no event shall the receiving party use less than a reasonable standard of care in its treatment of the disclosing party's Confidential Information. The receiving party shall not have the right to use the disclosing party's Confidential Information for any purpose other than the provision or receipt of the Transition Services hereunder without the disclosing party's prior written consent. The receiving party shall limit disclosure of the disclosing party's Confidential Information to the receiving party's officers, employees, agents and representatives (a) who have a need to know such Confidential Information for the purposes of this Agreement, (b) who are informed of the confidential nature of such Confidential Information, and (c) who have agreed to use, hold and protect such Confidential Information in accordance with this Agreement.

7.2 Security. Each party shall comply with the reasonable security requirements of the other party that such party is aware of with respect to its use and access to IT systems, infrastructure and software (collectively, "**Technology Systems**") and will use commercially reasonable efforts to prevent the introduction of (a) program code or programming instruction or set of instructions that may disrupt, disable, harm, interfere with, infiltrate, monitor, or otherwise adversely affect computer programs, data files or operations or (b) other code typically described as a malware, spy ware, or by similar terms, including Trojan horse, worm or backdoor. A party shall use reasonable best efforts to (i) reasonably promptly notify the other party of security breaches of the other party's Technology Systems or data security of which the party becomes aware and (ii) provide, at the other party's request and expense, reasonable cooperation and assistance in any investigation and mitigation efforts relating to such security breaches. As used herein, "security breach" means unauthorized access to or disclosure of computerized data that compromises the security, confidentiality or integrity of any data maintained by the other party.

ARTICLE VIII

MISCELLANEOUS

8.1 Independent Entities. In providing the Transition Services hereunder, Seller will act solely as an independent contractor and nothing in this Agreement will constitute or be construed to be or create a partnership, joint venture, or principal/agent between Seller, on the one hand, and the Buyer, on the other, and neither party shall enter into any agreement or commitment which is binding on the other.

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

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

8.4 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware. Any dispute hereunder shall be resolved in accordance with the provisions of the Purchase Agreement.

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

8.6 Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns; provided, however, that no party may assign this Agreement without the express prior written consent of the other party, provided however that Buyer may assign its rights and obligations hereunder to an assignee of any of its rights or obligations under the Purchase Agreement.

8.7 Entire Agreement/Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior written and oral agreements between the parties regarding the subject matter of this Agreement. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought.

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

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

8.10 Order of Precedence. To the extent that any provision contained in this Agreement conflicts with, or cannot logically be read in accordance with, any provision of the Purchase Agreement, the provision contained in this Agreement will prevail.

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

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the day and year first above written.

[Buyer]

By: _____
Name:
Title:

Sinclair Television Group, Inc.

By: _____

Name:

Title: