

**ASSET PURCHASE AGREEMENT**

**BY AND AMONG**

**GANNETT CO., INC.**

**AND THOSE CERTAIN OTHER PARTIES NAMED HEREIN AS SELLERS**

**AND**

**SANDER HOLDINGS Co. LLC,  
AND THOSE CERTAIN BUYER SUBSIDIARIES NAMED HEREIN,**

**AS BUYER**

**IN RESPECT OF TELEVISION STATIONS**

**WHAS-TV, LOUISVILLE, KENTUCKY  
KTVK(TV), PHOENIX, ARIZONA  
KASW(TV), PHOENIX, ARIZONA  
KGW(TV), PORTLAND, OREGON  
KGWZ-LD, PORTLAND, OREGON  
KMOV(TV), St. LOUIS, MISSOURI  
KMSB(TV), TUCSON, ARIZONA**

**AND**

**CERTAIN RELATED ASSETS**

**DATED AS OF JUNE 12, 2013**

## TABLE OF CONTENTS

	Page
ARTICLE I. DEFINITIONS; INTERPRETATION.....	2
1.1 Certain Defined Terms.....	2
1.2 Additional Terms .....	8
1.3 Descriptive Headings; Certain Interpretations.....	8
ARTICLE II. PURCHASE AND SALE.....	9
2.1 Purchase and Sale of Assets; Purchase Price.....	9
2.2 Purchased Assets; Excluded Assets.....	9
2.3 Assumption of Liabilities and Obligations.....	11
2.4 Closing .....	12
2.5 Joinder.....	12
2.6 Consents.....	12
2.7 Prorations and Adjustments at Closing.....	13
2.8 Post-Closing Adjustment .....	14
2.9 Purchase Price Allocation.....	14
ARTICLE III. REPRESENTATIONS AND WARRANTIES OF COMPANY AND SELLERS .....	14
3.1 Organization, Standing and Power .....	15
3.2 Authority; Binding Agreements.....	15
3.3 Tangible Personal Property .....	16
3.4 Conflicts; Consents .....	16
3.5 Good Title; Sufficiency of Assets.....	16
3.6 Non-Infringement .....	16
3.7 Contracts .....	16
3.8 Compliance with Law .....	17
3.9 Regulatory Matters.....	17
3.10 Litigation.....	17
3.11 Labor Matters.....	17
3.12 Employees.....	17
3.13 Environmental Matters.....	17
3.14 Real Property .....	18

## TABLE OF CONTENTS

(continued)

	Page
3.15 No Other Representations and Warranties.....	18
ARTICLE IV. REPRESENTATIONS AND WARRANTIES OF BUYER AND BUYER SUBSIDIARIES .....	19
4.1 Organization, Standing and Power .....	19
4.2 Authority; Binding Agreements.....	19
4.3 Conflicts; Consents .....	19
4.4 FCC Qualifications .....	19
4.5 Financing.....	20
4.6 Brokers .....	20
ARTICLE V. ADDITIONAL AGREEMENTS .....	20
5.1 Further Action; Regulatory Approvals .....	20
5.2 Conduct of Business .....	24
5.3 Obligation to Consummate Transaction .....	25
5.4 Updated Schedules.....	25
5.5 Confidentiality .....	25
5.6 Public Announcements .....	27
5.7 Checks; Remittances and Refunds.....	27
5.8 Cooperation in Litigation.....	27
5.9 No Premature Assumption of Control; Conduct of Buyer's Business .....	27
5.10 Transferred Employees .....	28
5.11 WARN Act.....	29
5.12 Expenses .....	29
5.13 Further Assurances.....	29
ARTICLE VI. CONDITIONS PRECEDENT .....	29
6.1 Conditions to Obligations of the Parties .....	29
6.2 Conditions to Obligations of Buyer .....	30
6.3 Conditions to Obligations of Company and Sellers.....	31
6.4 Frustration of Closing Conditions.....	33
ARTICLE VII. TERMINATION.....	33
7.1 Termination.....	33

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
7.2 Procedure and Effect of Termination.....	33
ARTICLE VIII. INDEMNIFICATION.....	34
8.1 Indemnification by Company .....	34
8.2 Indemnification by Buyer .....	35
8.3 Calculation of Losses.....	35
8.4 Certain Procedures for Indemnification.....	35
8.5 Limitations on Indemnity Obligations.....	37
ARTICLE IX. MISCELLANEOUS .....	37
9.1 Governing Law .....	37
9.2 Notices .....	37
9.3 Benefits of Agreement .....	38
9.4 Amendments and Waivers .....	38
9.5 Assignment .....	38
9.6 Enforceability; Severability .....	38
9.7 Entire Agreement .....	38
9.8 Counterparts.....	39

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “*Agreement*”) is made as of June 12, 2013, by and among (i) Gannett Co., Inc., a Delaware corporation (the “*Company*”), together with those certain Sellers named herein and who shall join in this Agreement as parties hereto, on the one hand, and (ii) Sander Holdings Co. LLC (“*Buyer*”), Sander Operating Co. I LLC (d/b/a WHAS Television) (“*WHAS Television*”), Sander Operating Co. II LLC (d/b/a KTVK Television) (“*KTVK Television*”), Sander Operating Co. III LLC (d/b/a KGW Television) (“*KGW Television*”), Sander Operating Co. IV LLC (d/b/a KMOV Television) (“*KMOV Television*”) and Sander Operating Co. V LLC (d/b/a KMSB Television) (“*KMSB Television*” and, together with WHAS Television, KTVK Television, KGW Television and KMOV Television, each a “*Buyer Subsidiary*” and collectively, the “*Buyer Subsidiaries*”), on the other hand. (Buyer, together with Buyer Subsidiaries are sometimes referred to herein as “*Buyer*”).

### WITNESSETH:

**WHEREAS**, in connection with and as part of the transactions contemplated hereby, Company, Delta Acquisition Corporation, a wholly-owned subsidiary of Company (“*MergerSub*”), and Belo Corp. (“*Legacy Parent*”) have entered into that certain Merger Agreement, dated as of the date hereof (the “*Merger Agreement*”), which contemplates the merger of Legacy Parent and MergerSub, with Legacy Parent surviving the transactions contemplated by the Merger Agreement (the “*Merger*”) as a wholly-owned subsidiary of Company;

**WHEREAS**, each of Legacy Parent and Company intend, and the Merger Agreement contemplates, that in connection with the Merger, simultaneously with the consummation of the Merger, Sellers, as the respective holders of the FCC Licenses (as defined below) for the television stations set forth below (each a “*Station*” and collectively, the “*Stations*”) and owners and operators of the Purchased Assets (as defined below) associated therewith, will sell, transfer and convey to Buyer such FCC Licenses and Purchased Assets:

WHAS-TV, Louisville, KY (Fac. ID 32327)  
KTVK(TV), Phoenix, AZ (Fac. ID 40993)  
KASW(TV), Phoenix, AZ (Fac. ID 7143)  
K11LC-D Prescott, AZ (Fac. ID 2756)  
K14NA-D, Globe & Miami, AZ (Fac. ID 13087)  
K15HY, Williams-Ashfork, AZ (Fac. ID 5323)  
K25MG-D, Flagstaff, AZ (Fac. ID 2753)  
K34EE-D, Prescott-Cottonwood, AZ (Fac. ID 56142)  
K38AI-D, Cottonwood, AZ (Fac. ID 2754)  
K41JE, Williams-Ashfork, AZ (Fac. ID 126160)  
KGW(TV), Portland, OR (Fac. ID 34874)

KGWZ-LD, Portland, OR (Fac. ID 30810)  
K17HA-D, Astoria, OR (Fac. ID130923)  
K25KS-D, The Dalles, OR (Fac. ID 34844)  
K28MJ-D, Tillamook, OR (Fac. ID 189303)  
K29AZ-D, Newport, OR (Fac. ID 34865)  
K35HU-D, Grays River, etc., OR (Fac. ID 34870)  
K40EG, Tillamook, OR (Fac. ID 34881)  
K46AK-D, Prineville/Redmond, OR (Fac. ID 34864)  
K48MP-D, Corvallis/Albany, OR (Fac. ID 34851)  
KMOV(TV), St. Louis, MO (Fac. ID 70034)  
KMSB(TV), Tucson, AZ (Fac. ID 44052)

**WHEREAS**, pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause Sellers to prepare, file and prosecute certain applications requesting the consent of the FCC to the assignment of the FCC Licenses from Sellers to Buyer Subsidiaries;

**WHEREAS**, simultaneously with the consummation of the Merger, Company will cause Sellers to enter into a Joinder Agreement (as defined below) pursuant to the terms and subject to the conditions of this Agreement and, thereupon, at the closing hereunder, each Seller shall effect and consummate the transactions contemplated hereby; and

**WHEREAS**, Buyer desires to purchase from Sellers at the closing hereunder the Purchased Assets and to assume the associated FCC Licenses pursuant to the terms and subject to the conditions of, this Agreement.

**NOW, THEREFORE**, in consideration of the mutual benefits to be derived from this Agreement and of the representations, warranties, conditions, agreements and promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

## **ARTICLE I. DEFINITIONS; INTERPRETATION**

1.1 ***Certain Defined Terms.*** The capitalized terms contained and used in this Agreement which are defined below shall have the respective meanings ascribed to them as follows:

***“Accounts Receivable”*** means all of Sellers’ accounts and notes receivable, deferred charges, chattel paper and other rights to receive payments, in each case, arising from the operation of the Business prior to the Closing Date, including the rights of Sellers as of the Closing Date to payment for the sale of advertising time and other goods and services by the Stations prior to the Closing Date.

***“Affiliate”*** means, with respect to any Person, any other Person which, directly or indirectly, Controls, is Controlled by, or is under common Control with, the specified Person.

***“Business”*** means the business of the Stations, including the Purchased Assets and the operations thereof, and the Assumed Liabilities to be sold or assumed pursuant to this Agreement at the Closing pursuant to the terms and subject to the conditions hereof.

***“Business Day”*** means any day excluding Saturdays, Sundays and any day that is a legal holiday under the laws of the United States or a day on which banking institutions located in New York, New York are authorized or required by Law or action of a Governmental Authority to close.

***“Buyer Confidential Information”*** means (i) all financial, technical, commercial, proprietary or other information disclosed by Buyer or an Affiliate of Buyer to any Seller, Company, their respective Affiliates and any of the officers, directors, employees, representatives or agents of Company, any Seller and their respective Affiliates (each, a ***“Seller Recipient”***) in connection with the transactions contemplated by this Agreement, (ii) each of the terms, conditions and other provisions contained in this Agreement and the agreements or documents to be delivered pursuant to this Agreement, (iii) all financial, technical, commercial, proprietary or other information of Buyer or its Affiliates disclosed by Buyer to any

Governmental Authority in connection with any filings or review in connection with the transactions contemplated hereunder, and (iv) from and after the Closing, all financial, technical, commercial, proprietary or other information of any Seller or its Affiliates relating to the Stations, the Business or the Purchased Assets, including all Intellectual Property of any Seller or its Affiliates relating thereto. Notwithstanding the preceding sentence, the definition of Buyer Confidential Information does not include any information that (A) is in the public domain at the time of disclosure to a Seller Recipient or becomes part of the public domain after such disclosure through no fault of a Seller Recipient, (B) except with respect to information set forth in subclause (iv) above, which, upon the Closing shall constitute Buyer Confidential Information, is already in the possession of a Seller Recipient at the time of disclosure to such Seller Recipient and that has not been provided by Buyer or its Affiliates, (C) is disclosed to a Party by any Person other than a Party to this Agreement; *provided*, that the Party to whom such disclosure has been made does not have actual knowledge that such Person is prohibited from disclosing such information (either by reason of Contract or legal or fiduciary obligation), (D) is developed independently by any party without the use of any Buyer Confidential Information, or (E) is required to be disclosed under Law, court order or other legal process (provided that prompt notice of such disclosure will be given as far in advance as possible to Buyer and Buyer shall be given reasonable opportunity to determine whether disclosure is required and to assess the extent of Buyer Confidential Information required to be disclosed).

**“Buyer’s Knowledge”** (and similar phrases) means the actual knowledge of any manager, officer or director of Buyer.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Communications Laws”** means collectively, the United States (i) Communications Act of 1934, (ii) Telecommunications Act of 1996, (iii) Children’s Television Act of 1990 and (iv) the rules, regulations and published policies of the FCC.

**“Company Material Adverse Effect”** means any event, occurrence, fact, condition, change, development or effect that would (i) prevent or materially impair or delay consummation of the Merger or the transactions contemplated thereby or (ii) otherwise materially adversely affect the ability of Company or MergerSub to perform their respective obligations under the Merger Agreement.

**“Consent”** means, with respect to a Contract, any consent or approval of any Person other than any Party to this Agreement which, in accordance with the terms of such Contract, is required to be obtained for the assignment thereof to Buyer or its permitted assigns.

**“Contracts”** means contracts, commitments, arrangements, agreements, leases, licenses, purchase orders for the sale or purchase of goods or services and any other legally binding understandings.

**“Control”** including its various tenses and derivatives (such as “Controlled” and “Controlling”) means (i) when used with respect to any Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities, by Contract or otherwise and

(ii) when used with respect to any security, the possession, directly or indirectly, of the power to vote, or to direct the voting of, such security or the power to dispose of, or to direct the disposition of, such security.

“**Dollars**” or “**\$**” means United States dollars.

“**Effective Time**” means 12:01 a.m., local New York, New York time, on the Closing Date; *provided*, however, that with respect to those certain Assumed Contracts relating to the advertising time on the Stations, the Effective time shall be deemed to be 5:00 a.m., local time, on the Closing Date.

“**Employee**” means an individual employed by any Seller in respect of the Business as of the date hereof and any individual(s) hired by any Seller in respect of the Business between the date hereof and the Closing Date.

“**Environmental Law**” means any Law relating to (i) pollution or protection of the environment, including natural resources, disposal of pollutants, toxic, hazardous, or other waste, and discharge and treatment of storm water or sanitary and industrial wastewater; (ii) health and safety, including exposure of employees or other persons, to toxic or hazardous substances; (iii) protection of the public health or welfare from the effects of by-products, wastes, emissions, discharges or releases of any chemical or other substances from industrial or commercial activities; or (iv) regulation of the manufacture, use or introduction into commerce of chemical or other substances, including their manufacture, importation, exportation, formulation, labeling, distribution, transportation, handling, storage, treatment, recycling, removal and disposal, specifically including petroleum and petroleum derived products.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

“**FCC**” means the United States Federal Communications Commission.

“**FCC Consent**” means action by the FCC (including action by staff acting on delegated authority) granting its consent to the FCC Application and the consummation of the transactions contemplated hereby.

“**FCC Licenses**” means the FCC licenses, permits and other authorizations, including any temporary waiver or special temporary authorization, and any renewals thereof or any transferable pending applications therefor, issued by the FCC and granted or assigned or assigned to any Seller in connection with the Stations or the Business.

“**Governmental Authority**” means any federal, state, local or foreign government, legislature, governmental or administrative agency or commission, any self-regulatory association or authority, any court or other tribunal of competent jurisdiction, or any other governmental authority or instrumentality anywhere in the world.

“**Hazardous Substances**” means any and all pollutants, contaminants, hazardous substances, hazardous wastes, toxic pollutants, toxic substances, caustics, radioactive substances or materials, hazardous materials, chemicals, industrial wastes, and any and all other sources of



pollution or contamination, or terms of similar import that are identified, listed, regulated under any Environmental Law and including under any Federal Law, including those with respect to crude oil, petroleum and its derivatives, products and by-products, natural or synthetic gas, any other hydrocarbons, heavy metals, asbestos, asbestos-containing materials, lead, lead-based paint, urea formaldehyde, pesticides, nuclear fuel and polychlorinated biphenyls.

“**HSR Act**” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

“**KTTU Purchase Agreement**” means that certain Asset Purchase Agreement, dated as of the date hereof, by and between Company and Tucker Media and Management Consulting, L.L.C. with respect to KTTU(TV), Tucson, Arizona.

“**Law**” means any federal, state, local or foreign constitution, treaty, law, statute, ordinance, rule, regulation, interpretation, directive, policy, order, writ, decree, injunction, judgment, stay or restraining order, provisions and conditions of permits, licenses, registrations and other operating authorizations, any ruling or decision of, agreement with or by, or any other requirement of, any Governmental Authority.

“**Legal Proceeding**” means any action, suit, litigation, arbitration, dispute, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Authority or any arbitral body, whether at law or in equity.

“**Lien**” means any lien (statutory or otherwise), claim, charge, option, security interest, pledge, mortgage, restriction, financing statement or similar encumbrance of any kind or nature whatsoever (including any conditional sale or other title retention agreement and any lease having substantially the same effect as any of the foregoing and any assignment or deposit arrangement in the nature of a security device).

“**Market**” means, with respect to any Station, the Nielsen Designated Market Area encompassing such Station.

“**Material Adverse Effect**” means any circumstance, change in or effect on Sellers that is, or would reasonably be expected to be, materially adverse to the results of operations or the financial condition of the Business, taken as a whole; *provided, however*, that none of the following, either alone or in combination, shall be considered in determining whether there has been a breach of a representation, warranty, covenant or agreement that is qualified by the term “Material Adverse Effect”: (i) events, circumstances, changes or effects that generally affect the television industry in the United States (including legal and regulatory changes), (ii) events, circumstances, changes or effects that generally affect the Markets, (iii) general economic or political conditions or events, circumstances, changes or effects affecting the securities markets generally, (iv) changes arising from the consummation of the transactions contemplated by, or the announcement of the execution of, this Agreement, including (A) any actions of competitors or (B) any actions taken by or losses of Employees, (v) any decline in audience levels or ratings at the Stations, (vi) any change in accounting requirements or principles or the interpretation thereof, (vii) events, circumstances, changes or effects caused by any outbreak or escalation of

war, act of foreign enemies, hostilities, terrorist activities, or acts of nature, and (viii) any circumstance, change or effect that results from any action taken pursuant to or in accordance with this Agreement or at the request of Buyer.

**“Material Assets”** means all media properties, including broadcast television stations and newspapers, currently owned by Company or any of its Subsidiaries.

**“Network Affiliation Agreement”** means any Contract evidencing and providing the terms and conditions of a network affiliation of any Station with respect to a television network.

**“Party”** means each party to this Agreement and **“Parties”** means, collectively, all parties to this Agreement.

**“Permits”** means registrations, franchises, grants, applications, licenses, requests for exemptions, permits, certifications, approvals, consents and other regulatory authorizations issued or granted by a Governmental Authority, including the FCC Licenses.

**“Permitted Liens”** means (i) Liens for Taxes or assessments which are not yet due or which are being contested in good faith by appropriate proceedings, (ii) statutory mechanics’, materialmen’s, contractors’, warehousemen’s, repairmen’s and other similar statutory Liens arising in the ordinary course of business and which are not delinquent, (iii) liens granted pursuant to the Acquisition Financing Arrangement, (iv) liens granted pursuant to any financing arrangement entered into by Buyer to finance the transactions contemplated hereby and pursuant to which a Seller or any of its Affiliates is a guarantor or otherwise provides security for Buyer’s obligations thereunder, and (v) liens arising under any Contract identified in *Schedule 3.4*.

**“Person”** means a human being, labor organization, partnership, firm, enterprise, association, joint venture, corporation, limited liability company, cooperative, legal representative, foundation, society, political party, estate, trust, trustee, trustee in bankruptcy, receiver or any other organization or entity whatsoever, including any Governmental Authority.

**“Restructuring Agreements”** means, collectively, this Agreement and the KTTU Purchase Agreement.

**“Sellers”** shall mean, each individually and collectively, each of the following: (i) Belo Kentucky, Inc.; (ii) KTVK, Inc.; (iii) KASW-TV, Inc.; (iv) King Broadcasting Company; (v) KMOV-TV, Inc.; and (vi) KMSB-TV, Inc.

**“Seller Confidential Information”** means (i) all financial, technical, commercial, proprietary or other information of Company, any Seller or any of their respective Affiliates (each, a **“Seller Disclosing Party”**) disclosed by such Seller Disclosing Party to Buyer, its Affiliates, permitted assigns or any of their officers, directors, employees, representatives or agents (each, a **“Buyer Recipient”**) in connection with the transactions contemplated by this Agreement that does not relate solely to the Stations, the Purchased Assets or the Business, (ii) each of the terms, conditions and other provisions contained in this Agreement and the agreements or documents to be delivered pursuant to this Agreement, (iii) all financial, technical, commercial, proprietary or other information of any Seller Disclosing Party disclosed by such

Seller Disclosing Party to any Governmental Authority in connection with any filings or review in connection with the transactions contemplated hereunder not relating solely to the Stations, the Purchased Assets or the Business, (iv) until such time as the Closing occurs, all financial, technical, commercial, proprietary or other information of any Seller Disclosing Party relating to the Stations, the Business or the Purchased Assets, including all Intellectual Property of any Seller Disclosing Party relating thereto. Notwithstanding the preceding sentence, the definition of Seller Confidential Information does not include any information that (A) is in the public domain at the time of disclosure to a Buyer Recipient or becomes part of the public domain after such disclosure through no fault of such Buyer Recipient, (B) is already in the possession of a Buyer Recipient at the time of disclosure to such Buyer Recipient that has not been provided by a Seller Disclosing Party, (C) is disclosed to a Party by any Person other than a Party to this Agreement; *provided* that the Party to whom such disclosure has been made does not have actual knowledge that such Person is prohibited from disclosing such information (either by reason of Contract or legal or fiduciary obligation), (D) is developed independently by any party without the use of any Seller Confidential Information or (E) is required to be disclosed under Law, court order or other legal process (*provided* that prompt notice of such disclosure will be given as far in advance as possible to the applicable Seller Disclosing Party, as applicable, and such Seller Disclosing Party shall be given reasonable opportunity to determine whether disclosure is required and to assess the extent of Seller Confidential Information required to be disclosed).

**“Seller’s Knowledge”** (and similar phrases) means (i) any actual knowledge of an officer or director of Company resulting from a disclosure pursuant to or in connection with the Merger Agreement or (ii) as of the Closing, the actual knowledge of any officer or director of any Seller.

**“Subsidiary”** of any Person means another Person, in which such Person (i) owns, directly or indirectly, voting securities holding no less than fifty percent (50%) of the aggregate voting power of all securities of such entity, or (ii) is entitled to elect at least a majority of the board of directors, board of managers or similar governing body.

**“Surviving Corporation”** means the Legacy Parent, in its capacity as the corporation surviving the Merger.

**“Tax”** means any federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental (including taxes under Section 59A of the Code), customs duties, capital stock, franchise, profits, withholding, social security (or similar), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind whatsoever, including any interest, penalty, or addition thereto, whether disputed or not.

**“Tax Return”** means any return, declaration, report, claim for refund, information return or statement relating to Taxes, including any schedule or attachment thereto, filed or maintained, or required to be filed or maintained, in connection with the calculation, determination, assessment or collection of any Tax and shall include any amended returns required as a result of examination adjustments made by the Internal Revenue Service or other Tax authority.

“**Transaction**” means the Merger, taken together with the consummation of the transactions proposed by this Agreement and the KTTU Purchase Agreement.

“**WARN Act**” means the Worker Adjustment and Retraining Notification Act, as amended.

1.2 **Additional Terms.** In addition to the defined terms in the preamble, recitals and *Section 1.1*, hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<b>Term</b>	<b>Section</b>
Acquisition Financing Agreement	Section 4.5
Adjustment Amount	Section 2.8
Assumed Contracts	Section 2.2
Assumed Liabilities	Section 2.3
Auxiliary Measures	Schedule 5.1(c)
Buyer Ancillary Agreements	Section 4.2
Claimant	Section 8.4
Closing	Section 2.4
Closing Date	Section 2.4
Excluded Assets	Section 2.2
Excluded Contracts	Section 2.2
FCC Applications	Section 5.1
Final Adjustment Report	Section 2.8
Governmental Approvals	Section 5.1
Indemnifying Party	Section 8.4
Joinder Agreement	Section 2.5
Losses	Section 8.1
Notice of Termination	Section 7.2
Preliminary Adjustment Schedule	Section 2.8
Programming Agreements	Section 2.2
Purchase Price	Section 2.1
Purchased Assets	Section 2.2
Real Property Leases	Section 3.14
Related Party	Section 7.2
Renewal Application	Section 5.1
Retained Liabilities	Section 2.3
Seller Ancillary Agreements	Section 3.2
Sharing Arrangement	Section 5.2
Station IP	Section 2.2
Tangible Personal Property	Section 2.2
Third Party Claim	Section 8.4
Transaction Documents	Section 9.7
Transferred Employee	Section 5.10

1.3 ***Descriptive Headings; Certain Interpretations.***

(a) Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

(b) Except as otherwise expressly provided in this Agreement or as the context otherwise requires, the following rules of interpretation apply to this Agreement: (i) the singular includes the plural and the plural includes the singular; (ii) “or” and “any” are not exclusive and the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation”; (iii) a reference to any Contract includes permitted supplements and amendments; (iv) a reference to a Law includes any amendment or modification to such Law; (v) a reference to a Person includes its successors, heirs and permitted assigns; (vi) a reference to one gender shall include any other gender; and (vii) a reference in this Agreement to an Article, Section, Exhibit or Schedule is to the referenced Article, Section, Exhibit or Schedule of this Agreement.

(c) The Parties agree that they have been represented by counsel during the negotiation, drafting, preparation and execution of this Agreement and, therefore, waive the application of any Law or rule of construction providing that ambiguities in an agreement or other document will be construed against the Party drafting such agreement or document.

## **ARTICLE II.**

### **PURCHASE AND SALE**

2.1 ***Purchase and Sale of Assets; Purchase Price.*** Pursuant to the terms and subject to the conditions of this Agreement, including *Section 2.5* hereof, at the Closing, Sellers shall sell, convey, transfer and assign to Buyer, free and clear of all Liens (other than Permitted Liens), and Buyer shall purchase from Sellers, the Purchased Assets. In consideration of the sale of the Purchased Assets and Sellers’ other covenants and obligations hereunder, at the Closing Buyer agrees, pursuant to the terms and subject to the conditions hereof, to (a) pay Sellers an aggregate amount equal to One Hundred and One Million, Seven Hundred and Seventy-Seven Thousand, Seven Hundred and Thirty-Nine Dollars (\$101,777,739) (the “***Purchase Price***”) and (b) assume the Assumed Liabilities.

#### 2.2 ***Purchased Assets; Excluded Assets.***

(a) The term “***Purchased Assets***” means all of Sellers’ right, title and interest in and to all of those certain properties and assets (tangible or intangible) used or held in connection with the Business set forth below:

(i) the tangible personal property owned or held by each Seller that is used or held for use in the Business and set forth on *Schedule 2.2(a)(i)* hereof (the “***Tangible Personal Property***”);

(ii) all of the following Contracts (collectively, the “***Assumed Contracts***”):

(1) Contracts for the sale of advertising time on the Stations;

(2) film or programming license agreements for programming on the Stations (collectively, the “**Programming Agreements**”), including those set forth on *Schedule 2.2(a)(ii)*;

(3) Network Affiliation Agreements;

(4) Contracts granting retransmission consent to a multi-channel video programming distributor, including a cable system, telephone company or DBS system, with respect to any Station;

(5) those certain other leases, licenses or other Contracts used or held for use in connection with the Business and set forth on *Schedule 2.2(a)(ii)*;

(iii) all FCC logs and all records required by the FCC to be kept by each Station, including each Station’s public inspection file;

(iv) all rights and interests of each Seller in the FCC Licenses, together with all applications for the FCC Licenses, and any renewals, extensions, or modifications thereof and additions thereto;

(v) each Station’s call sign, domain registrations held by any Seller in connection with such Station, and the goodwill of the business associated with the Station and symbolized by the call sign therefor (the “**Station IP**”); and

(vi) all of the real property leased, subleased or licensed by any Seller as lessee, sublessee or licensee, as applicable, and used or held for use in the Business, together with all leases made between the date hereof and Closing in accordance with *Section 5.2* (the “**Real Property**”) set forth on *Schedule 2.2(a)(ii)*.

(b) Buyer shall not acquire from Sellers pursuant to this Agreement any other assets relating to the Business not set forth in *Section 2.2(a)* (collectively, the “**Excluded Assets**”), and such Excluded Assets shall include, but not be limited to, the following:

(i) Sellers’ corporate charters, minute books, stock records and corporate seals, and Sellers’ corporate records and other books and records that pertain to internal corporate matters of Sellers, and Sellers’ account books of original entry with respect to the Stations and all original accounts, checks, payment records, Tax records and other similar books, records and information of Sellers relating to Sellers’ operation of the Business and the Purchased Assets prior to Closing, the names “Belo” and “Gannett” and any derivation thereof and Sellers’ and Company’s corporate and trade names unrelated to the Business;

(ii) any of the rights of any Seller under this Agreement and the other agreements, certificates and documents delivered in connection herewith;

(iii) Tangible Personal Property disposed of or consumed in the ordinary course of the Business and in accordance with *Section 5.2* and the other terms of this Agreement between the date hereof and the Closing Date;

(iv) all claims for refunds of monies paid to any Governmental Authority prior to the Closing Date and all claims for Copyright royalties for broadcasts prior to the Closing Date;

(v) any Contract that is not an Assumed Contract (an “*Excluded Contract*”);

(vi) any rights of any Seller under any insurance policies owned by such Seller, except to the extent that any such policies cover any Assumed Liability;

(vii) refunds or claims for refunds with respect to Taxes paid or to be paid by any Seller with respect to the period through the Closing Date;

(viii) the Accounts Receivable;

(ix) cash, cash equivalents and cash items of any kind whatsoever, certificates of deposit, money market instruments, bank balances and rights in and to bank accounts, Treasury bills and marketable securities and other securities of each Seller; and

(x) claims of any Seller with respect to any other transactions or events occurring prior to the Closing Date.

### 2.3 *Assumption of Liabilities and Obligations.*

(a) As of the Closing Date, Buyer shall assume and undertake to pay, discharge and perform:

(i) any obligation or liability of Sellers under the Assumed Contracts to the extent that such obligations and liabilities relate to the period after the Effective Time;

(ii) any liability or obligation to any former Employee of Sellers who has been hired by Buyer, attributable to any period of time on or after the Effective Time;

(iii) any liability or obligation arising out of any litigation, proceeding or claim by any Person or entity relating to any of the Purchased Assets or the Business in connection with any events or circumstances that occur or arise on or after the Effective Time; and

(iv) any severance or other liability arising out of the termination of any employee’s employment with or by Buyer on or after the Effective Time (all of the foregoing, together with other liabilities or obligations expressly assumed by Buyer hereunder, are referred to herein collectively as the “*Assumed Liabilities*”).

(b) Buyer shall not be required to assume any of the following: (i) any obligations or liabilities under any Excluded Contract, (ii) any liability or obligation arising out of any litigation, proceeding or claim by any Person relating to the Business or any of the

Purchased Assets in connection with any events or circumstances that occur or exist prior to the Closing Date, (iii) any credit agreements, note purchase agreements, indentures or other financing arrangements (other than any Assumed Contracts) of any Seller or (iv) liabilities or obligations under any agreement between any Seller and the FCC (exclusive, for the avoidance of doubt, of the FCC Licenses and any renewals thereof). Buyer shall perform all obligations arising out of the Purchased Assets on or after the Closing Date. Each Seller shall retain all liabilities of Seller not assumed by Buyer (the “**Retained Liabilities**”).

2.4 **Closing.** Pursuant to the terms and subject to the conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the “**Closing**”) shall take place at the offices of Nixon Peabody LLP, 401 9th Street NW, Suite 900, Washington, DC 20004, at 10:00 a.m. local time within two (2) Business Days after the date on which all conditions set forth in *Article VI* shall have been satisfied or waived, or such other time and place as Buyer and Sellers, and the Company may agree to in writing (such date of the Closing hereinafter referred to as the “**Closing Date**”).

## 2.5 **Joinder.**

(a) Company hereby covenants and agrees, simultaneously with the consummation of the Merger, to cause each Seller to join in, and become a party to this Agreement by causing each such Seller to execute and deliver to Buyer, a Joinder Agreement, substantially in the form attached hereto as *Exhibit A* (the “**Joinder Agreement**”).

(b) Simultaneously with the consummation of the Merger, Company covenants and agrees to cause each Seller to perform the obligations of Seller hereunder and Company shall be jointly and severally liable for any breach or default of a Seller from after the consummation of the Merger.

(c) The parties acknowledge and agree that any rights of Buyer with respect to, and directly against, any Seller shall be subject to the execution and delivery of the Joinder Agreement and in no event shall Buyer have any cause of action against Legacy Parent as a result of this Agreement.

## 2.6 **Consents.**

(a) Company and Sellers shall use all commercially reasonable efforts and Buyer shall cooperate in all commercially reasonable respects with Company and Sellers to obtain any Consent necessary for the assignment of any Assumed Contract; *provided*, that no such Consents are conditions to Closing; and *provided, further*, that no Party shall be required to expend any out-of-pocket expenses to obtain any such Consent.

(b) Without limiting *Section 8.1* hereof, to the extent that any Assumed Contract may not be assigned without Consent and such Consent is not obtained prior to the Effective Time, or if an attempted assignment of such an Assumed Contract shall be ineffective, each Seller shall use all commercially reasonable efforts to provide Buyer the benefits of any such Assumed Contract and, to the extent Buyer is provided with the benefits of such Assumed Contract, Buyer shall perform or discharge on behalf of such Seller the



obligations and liabilities under such Assumed Contract in accordance with the provisions thereof. In addition to Buyer's obligation pursuant to the foregoing sentence, as to any Assumed Contract that is not effectively assigned to Buyer as of the Effective Time but is thereafter effectively assigned to Buyer, Buyer shall, from and after the effective date of such assignment, assume, and shall thereafter pay, perform and discharge as and when due, all liabilities and obligations of any Seller arising under such Assumed Contract.

## **2.7 *Prorations and Adjustments at Closing***

(a) All revenues and all expenses arising from the Purchased Assets and the Business, including, as applicable, business and license fees, utility charges, real and personal property taxes and assessments levied against the Purchased Assets, property and equipment rentals, applicable copyright or other fees, including program license payments, sales and service charges, Taxes (except for Taxes arising from the transfer of the Purchased Assets under this Agreement), Employee compensation, including wages, salaries and commissions (but exclusive of accrued but unused paid vacation, earned time off and sick leave), annual regulatory fees, amounts owing in respect of unlicensed software, music license fees and similar prepaid and deferred items, shall be prorated between Buyer and Sellers in accordance with generally accepted accounting principles, consistently applied, and to effect the principle that Sellers shall receive all revenues and shall be responsible for all expenses, costs and liabilities allocable to Sellers' operations with respect to the Stations for the period ended immediately prior to the Effective Time, and Buyer shall receive all revenues and shall be responsible for all expenses, costs and obligations allocable to such operations for the period commencing immediately after the Effective Time.

(b) Notwithstanding anything else in this *Section 2.7* to the contrary, any prorations and adjustments pursuant to *Section 2.7(a)* shall be subject to the following:

(i) There shall be no adjustment for, and Sellers shall remain solely liable with respect to, any Excluded Contracts and any other obligation or liability not being assumed by Buyer in accordance with *Section 2.3*.

(ii) There shall be no adjustment or proration between Buyer and Sellers for payments due under the Programming Agreements except as expressly specified in this *Section 2.7(b)(ii)*. Except as set forth herein for the month in which the Closing Date occurs, Sellers shall be responsible for filing and paying all film or programming license fees due and payable as of the Closing Date, and Buyer shall be responsible for filing and paying all such fees after the Closing Date; *provided, however*, that for the month in which the Closing Date occurs, such obligations for such month shall be allocated on a pro-rata basis based on the day of the month immediately prior to the Closing Date. Deposits (including programming fee pre-payments) for Programming Agreements shall be fully credited to Sellers; *provided, however*, that on the Closing Date, such credit with respect to programming fee pre-payments will be reduced on a pro-rata basis based on the length of the term that the film or program was available to be aired on a Station prior to the Effective Time and the total length of the term that the film or program is available to air on such Station.

(iii) There shall be no adjustment pursuant to this *Section 2.7* in respect of the Accounts Receivable, it being agreed that the Accounts Receivable shall remain the property of Sellers and all accounts receivable relating to the operation of the Stations following the Effective Time shall be the property of Buyer. In the event that Buyer collects any amounts with respect to Accounts Receivable properly owing to Sellers in accordance with the terms hereof, Buyer shall promptly pay over such amounts to the applicable Seller or Sellers.

## **2.8 *Post-Closing Adjustment.***

(a) Not less than five (5) Business Days prior to the Closing Date, Company shall deliver to Buyer its good faith estimate of the prorations and adjustments to be made with respect to the Purchase Price calculated in accordance with *Section 2.7* hereof, including all estimated accrued liabilities (the “**Preliminary Adjustment Schedule**”). The Purchase Price payable at Closing shall be adjusted by the amount of the prorations and adjustments estimated on the Preliminary Adjustment Schedule. The Preliminary Adjustment Schedule shall be prepared in accordance with generally accepted accounting principles, consistently applied.

(b) Within one hundred twenty (120) days after the Closing Date, Company shall prepare, and Buyer shall reasonably cooperate in the preparation of, an itemized list of the final prorations and adjustments calculated in accordance with *Section 2.7* (the “**Final Adjustment Report**”). The Final Adjustment Report shall include a description of the net amount payable by Buyer or Company as an adjustment pursuant to *Section 2.7* hereof as well as a description of any net increase or decrease of any proration or adjustment included on the Preliminary Adjustment Schedule (the “**Adjustment Amount**”). The Final Adjustment Report shall be prepared in accordance with generally accepted accounting principles, consistently applied.

(c) Payment of the Adjustment Amount by Sellers to Buyer or by Buyer to Sellers, as the case may be, shall be made within five (5) Business Days after the date on which the Final Adjustment Report is finally determined pursuant to this Section.

**2.9 *Purchase Price Allocation.*** All amounts constituting consideration within the meaning of and for the purposes of Section 1060 of the Code shall be allocated among the Purchased Assets and any other rights acquired by Buyer hereunder, as applicable, in the manner required by Section 1060 of the Code. Company shall confer in good faith with Buyer regarding the allocation of the Purchase Price and any Assumed Obligations in accordance with the requirements of Section 1060 of the Code and the Treasury Regulations promulgated thereunder. Company shall thereafter prepare such allocation and each Party agrees to complete and timely file IRS Form 8594 (or any successor form), to file all income Tax Returns in accordance with such allocation, and to take no action inconsistent with such allocation.

## **ARTICLE III. REPRESENTATIONS AND WARRANTIES OF COMPANY AND SELLERS**

In order to induce Buyer to enter into this Agreement and to purchase the Purchased Assets and assume the Assumed Liabilities, Company hereby represents and warrants, for itself and, as of

the Closing, on behalf of each Seller, to Buyer as follows, with each such representation and warranty subject to such exceptions as are set forth in the Company disclosure schedules attached hereto:

3.1 ***Organization, Standing and Power.*** Company and each Seller is a corporation duly formed, validly existing and in good standing under the laws of the state or jurisdiction of its incorporation or formation and has all requisite organizational power and authority to own, lease and operate its properties and to carry on its business as now being conducted. Company and Sellers are each duly qualified to do business and in good standing in each jurisdiction in which such qualification is necessary because of the property owned, leased or operated by it or because of the nature of its business as now being conducted, except where any failure, individually or in the aggregate, to be so qualified or in good standing could not reasonably be expected to have a Material Adverse Effect.

3.2 ***Authority; Binding Agreements.***

(a) The execution and delivery of this Agreement by Company and all of the other agreements, instruments, certificates and documents to be executed and delivered by Company in connection herewith and the consummation of the transactions contemplated hereby and thereby is duly and validly authorized by all necessary corporate action on the part of Company. Company has all requisite corporate power and authority to enter into this Agreement and, subject to the consummation of the Merger, to consummate the transactions contemplated hereby, and this Agreement has been duly executed and delivered by Company. This Agreement is the valid and binding obligations of Company enforceable against it in accordance with its terms, except as enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar Laws affecting the enforcement of creditor's rights generally and the application of general principles of equity (regardless of whether that enforceability is considered in a proceeding at law or in equity).

(b) Subject to *Section 2.5* hereof and as of the Closing, (i) the execution and delivery of this Agreement and all of the other agreements, instruments, certificates and documents to be executed and delivered by Sellers, including the Joinder Agreement (collectively, the "***Seller Ancillary Agreements***"), in connection herewith and the consummation of the transactions contemplated hereby and thereby will be duly and validly authorized by all necessary corporate action on the part of each Seller, as applicable; (ii) each Seller will have all requisite corporate power and authority to enter into this Agreement and the Seller Ancillary Agreements and to consummate the transactions contemplated hereby and thereby, and this Agreement and the Seller Ancillary Agreements will be duly executed and delivered by each such Seller; and (iii) this Agreement and the Seller Ancillary Agreements will be the valid and binding obligations of each Seller, enforceable against each such Seller in accordance with their respective terms, except as enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar Laws affecting the enforcement of creditor's rights generally and the application of general principles of equity (regardless of whether that enforceability is considered in a proceeding at law or in equity).

3.3 ***Tangible Personal Property.*** All material items of Tangible Personal Property, taken as a whole are in satisfactory operating condition, ordinary wear and tear excepted. SUBJECT ONLY TO THE FOREGOING SENTENCE, THE TANGIBLE PERSONAL PROPERTY IS BEING SOLD TO BUYER ON AN "AS-IS, WHERE-IS" BASIS AND IN ITS PRESENT CONDITION, SUBJECT TO NORMAL WEAR AND TEAR AND DAMAGE FROM CASUALTY, AND COMPANY AND EACH SELLER HEREBY DISCLAIM ANY AND ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE FITNESS OR CONDITION OF THE TANGIBLE PERSONAL PROPERTY, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR USE.

3.4 ***Conflicts; Consents.*** Except for the FCC Consent, the pre-merger notification requirements under the HSR Act, the consents to assign the Assumed Contracts indicated as requiring consent on *Schedule 2.2(a)(ii)*, and except as otherwise set forth on *Schedule 3.4*, the execution, delivery and performance by Company and, subject to *Section 2.5*, each Seller of this Agreement and the Seller Ancillary Agreements, as applicable, and the consummation by Company and each such Seller of any of the transactions contemplated hereby or thereby does not and will not in any material respect conflict with, violate, result in a breach of the terms and conditions of, or, with or without notice or the passage of time, result in any material breach, event of default or the creation of any Lien under, any Assumed Contract, any organizational documents of each such Seller or any Law, judgment, order, or decree to which each such Seller is subject, or require the consent or approval of, or a filing by each such Seller with, any governmental or regulatory authority.

3.5 ***Good Title.*** As of the time immediately prior to the Closing, Sellers will hold valid title to, or valid contract rights to, as applicable, all of the Purchased Assets, free and clear of all Liens (other than Permitted Liens and Liens to be discharged at Closing pursuant to the terms and subject to the conditions set forth in this Agreement). At the Closing, Buyer will acquire from Sellers valid title to, or valid contract rights to, as applicable, all of the Purchased Assets, free and clear of all Liens (other than Permitted Liens and Liens to be discharged at Closing pursuant to the terms and subject to the conditions set forth in this Agreement).

3.6 ***Non-Infringement.*** Except to the extent as would not have a Material Adverse Effect, no Seller has received any notice of any kind asserting or otherwise reflecting any infringement, unlawful use or other adverse action with respect to any intellectual property used or useful in connection with the Business.

3.7 ***Contracts.*** Except to the extent as would not have a Material Adverse Effect and except for any Consents to the assignment of the Assumed Contracts to Buyer required thereunder that have not been obtained as of the date hereof, (a) all of the Assumed Contracts are, and on the Closing Date all Assumed Contracts will be, in full force and effect, constituting valid and binding obligations of Sellers and, to Sellers' Knowledge, the other parties thereto and enforceable in accordance with their respective terms (subject to bankruptcy, insolvency, reorganization, fraudulent conveyance, or other similar laws relating to or affecting the enforcement of creditors' rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law)), and (b) there exists no default, or any event which upon notice

or the passage of time, or both, could reasonably be expected to give rise to any default, in any such case, in the performance by any Seller under any Assumed Contract.

3.8 ***Compliance with Law.*** The business and operations of the Stations are conducted in all respects in compliance with all applicable Laws, except for such violations or other noncompliance as would not have a Material Adverse Effect.

3.9 ***Regulatory Matters.*** Sellers are the holders of the FCC Licenses described on *Schedule 3.9*, which are all of the licenses, permits and authorizations required under the Communications Laws for the current operation of the Stations and used in connection with the Business other than those, the failure of which to hold, would not have a Material Adverse Effect. The FCC Licenses are in full force and effect and have not been revoked, suspended, canceled, rescinded or terminated and have not expired. There is not pending, or to Company or Sellers' Knowledge, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the FCC Licenses (other than proceedings to amend FCC rules of general applicability). There is not issued or outstanding by or before the FCC any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture against any Station or against any Seller with respect to a Station, other than those that would not have a Material Adverse Effect.

3.10 ***Litigation.*** Except for any FCC rulemaking proceedings generally affecting the television broadcasting industry and not particular to Company or any Seller, to Sellers' Knowledge, there is no legal action, counterclaim, suit or arbitration, nor any order, decree, or judgment, pending or threatened to which Company or any Seller is a party or otherwise relating to the Stations or the Purchased Assets which (a) questions or challenges the validity of this Agreement or any action taken or to be taken by Company or any Seller pursuant to this Agreement and, if determined adversely to Company or such Seller, would reasonably be expected to prevent the consummation of the Transaction, or (b) would have a Material Adverse Effect.

3.11 ***Labor Matters.*** Except as would not have a Material Adverse Effect, there is not pending or, to Sellers' Knowledge, threatened against Company or any Seller, any labor dispute, strike or work stoppage that affects or interferes with the operation of the Stations, and to Sellers' Knowledge there is no organizational effort currently being made or threatened by or on behalf of any labor union with respect to Employees.

3.12 ***Employees.*** Except as set forth on *Schedule 3.12*, there are no written Contracts (including employment and consulting agreements) between any Seller on one hand, and any Employee or consultant of such Seller with respect to the Business on the other hand, that are included in the Assumed Contracts.

3.13 ***Environmental Matters.*** Except as set forth on *Schedule 3.13*, to Sellers' Knowledge, each Seller is in compliance with all Environmental Laws applicable to the Business as presently conducted by it, except for violations of such Environmental Laws that would not have a Material Adverse Effect.

3.14 **Real Property.** *Schedule 2.2(a)(ii)* lists each lease or other Contract for Real Property (the “**Real Property Leases**”), and, except as set forth on *Schedule 3.14*, true and correct copies of such Real Property Leases, together with any amendments thereto, have been made available to Buyer. Each of the Real Property Leases is in full force and effect and is binding upon the applicable Seller and, to Sellers’ Knowledge, the other parties thereto (subject to bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors’ rights generally and except as such enforceability is subject to general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law)). Except as would not have a Material Adverse Effect, (i) each Seller, as applicable, has performed its obligations under each of the Real Property Leases, and is not in material default thereunder; (ii) no other party to any of the Real Property Leases required is in default thereunder; and (iii) no Seller has received written notice that it has breached, violated or defaulted under any Real Property Lease. Each Seller has valid title to the leasehold estate under each Real Property Lease free and clear of all Liens other than Permitted Liens. To each Seller’s Knowledge, the Real Property is not subject to any suit for condemnation or other taking by any public authority.

3.15 **No Other Representations and Warranties.**

(a) EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS ARTICLE III, BUYER UNDERSTANDS AND AGREES THAT NEITHER COMPANY NOR SELLERS MAKE ANY OTHER WARRANTY WITH RESPECT TO THE PURCHASED ASSETS, INCLUDING (i) ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED, AND (ii) ANY WARRANTY AS TO THE OPERATING CONDITION OR ADEQUACY OF REPAIR OF ANY OF THE PURCHASED ASSETS OR THE WORKING ORDER OR SOUNDNESS OF ANY OF THE PURCHASED ASSETS, INCLUDING IN RESPECT OF ANY BUILDING, TOWER OR OTHER IMPROVEMENT INCLUDED WITHIN THE PURCHASED ASSETS.

(b) Except for the representations and warranties contained in this Agreement, as qualified by the Company disclosure schedules attached hereto, and in any certificates required to be delivered by Company or Sellers pursuant hereto or in connection herewith, none of Company, any Seller or any Person acting for any Seller makes any representation or warranty, express or implied, and Company and each Seller hereby disclaims any such representation or warranty, whether by Company or any Seller or any of its officers, directors, employees, agents, representatives, Affiliates or any other Person, with respect to the execution, delivery or performance by Company or any Seller of this Agreement or with respect to the transactions contemplated hereby, notwithstanding the delivery to Buyer or any of its officers, directors, employees, agents, representatives, Affiliates or any other Person of any documentation or other information by Company or any Seller or any of its respective officers, directors, employees, agents, representatives, Affiliates or any other Person with respect to any one or more of the Company, the Sellers, the Stations or any of their assets or obligations.

**ARTICLE IV.**  
**REPRESENTATIONS AND WARRANTIES OF BUYER AND BUYER SUBSIDIARIES**

In order to induce each of Company and, subject to *Section 2.5* hereof, each Seller to enter into this Agreement, Buyer and Buyer Subsidiaries, jointly and severally, hereby represent and warrant to Company and each Seller as follows:

4.1 ***Organization, Standing and Power.*** Each of Buyer and Buyer Subsidiaries is a limited liability company duly formed, validly existing and in good standing under the laws of the State of Delaware. Buyer is the sole member of each Buyer Subsidiary. Buyer and each Buyer Subsidiary have all requisite limited liability company power and authority to own, lease and operate its properties and to carry on its business as now being conducted.

4.2 ***Authority; Binding Agreements.*** The execution, delivery and performance, of this Agreement and all of the other agreements, instruments, certificates and documents to be executed and delivered by Buyer and Buyer Subsidiaries pursuant hereto (collectively, the “***Buyer Ancillary Agreements***”) and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by all necessary limited liability company action on the part of Buyer and each applicable Buyer Subsidiary. Buyer and, as applicable, each Buyer Subsidiary have all requisite limited liability company power and authority to enter into this Agreement and the Buyer Ancillary Agreements and to consummate the transactions contemplated hereby and thereby, and this Agreement and the Buyer Ancillary Agreements have been, or upon execution and delivery will be, duly executed and delivered by Buyer and each applicable Buyer Subsidiary. This Agreement and the Buyer Ancillary Agreements are, or upon execution and delivery thereof will be, valid and binding obligations of Buyer and each applicable Buyer Subsidiary, enforceable against Buyer and each applicable Buyer Subsidiary in accordance with their respective terms, except as enforceability may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting the enforcement of creditor’s rights generally and the application of general principles of equity (regardless of whether that enforceability is considered in a proceeding at law or in equity).

4.3 ***Conflicts; Consents.*** Except for the FCC Consent and the pre-merger notification requirements of the HSR Act, the execution, delivery and performance by Buyer of this Agreement and the Buyer Ancillary Agreements and the consummation by Buyer of any of the transactions contemplated hereby or thereby does not and will not conflict with, violate, result in a breach of the terms and conditions of, or, with or without notice or the passage of time, result in any breach, event of default or the creation of any lien under, any lease, contract or agreement to which Buyer is a party or to which its assets are subject, any organizational documents of Buyer, or any Law, judgment, order or decree to which Buyer is subject, or require the consent or approval of, or a filing by Buyer with, any governmental or regulatory authority or any third party.

4.4 ***FCC Qualifications.*** Each of Buyer and Buyer Subsidiaries is, and as of the Closing will be, legally, financially and otherwise qualified under the Communications Laws to acquire the FCC Licenses and to own and operate each Station. To the knowledge of Buyer,

there are no facts with respect to Buyer or any Buyer Subsidiary that would disqualify Buyer or any Buyer Subsidiary as the assignee of the FCC Licenses or as owner and operator of the Stations. There are no facts with respect to Buyer or Buyer Subsidiary which would require any waiver or exemption, whether temporary or permanent, of the Communications Laws for the FCC Consent to be obtained. There are no facts or circumstances with respect to the FCC qualifications of Buyer or any Buyer Subsidiary that might reasonably be expected to (a) result in the FCC's refusal to grant the FCC Consent or otherwise disqualify Buyer or such Buyer Subsidiary, (b) materially delay obtaining the FCC Consent or (c) cause the FCC to impose a material condition or conditions on its granting of the FCC Consent.

4.5 **Financing.** Subject to *Section 5.3*, those certain third-party banking institutions or other lenders have indicated to Buyer their intent and agreement to provide debt financing for the transactions contemplated by this Agreement (the "**Acquisition Financing Arrangement**"). Buyer has no reason to believe to Buyer's Knowledge that any condition to the Acquisition Financing Arrangement will not be satisfied or waived prior to the Closing Date.

4.6 **Brokers.** No agent, broker, investment banker, firm or other Person acting on behalf, or under the authority, of Buyer is or will be entitled to any broker's or finder's fee or any other commission or similar fee directly or indirectly from Company, any Seller or their respective Affiliates in connection with any of the transactions contemplated hereby.

## **ARTICLE V. ADDITIONAL AGREEMENTS**

### **5.1 Further Action; Regulatory Approvals.**

(a) In connection with the covenants of Buyer set forth below, reference is hereby made to *Section 6.5* of the Merger Agreement, pursuant to the terms and subject to the conditions of which, Legacy Parent has agreed to use its reasonable best efforts to undertake actions substantially corresponding to the actions to be undertaken by Buyer in this *Section 5.1*. Subject to *Section 5.1(c)* hereof, Buyer covenants and agrees to use its reasonable best efforts to, and to cause each Buyer Subsidiary, as applicable, to use their respective reasonable best efforts to:

(i) obtain as promptly as practicable any necessary permits, consents, approvals, waivers and authorizations of, actions or nonactions by, and make as promptly as practicable all necessary filings and submissions with, any Governmental Authority, including the FCC, or any third party necessary in connection with the consummation of the transactions contemplated by this Agreement (the "**Governmental Approvals**"); *provided*, that in no event shall the Parties be required to pay any fee, penalty or other consideration to obtain any consent, approval, order, waiver or authorization in connection with the transactions contemplated by this Agreement;

(ii) (A) avoid a Legal Proceeding, petition to deny, objection or investigation, whether judicial or administrative and whether brought by a Governmental Authority, and (B) avoid the entry of, or to effect the dissolution of, any injunction, stay, temporary restraining order or other order in any such Legal Proceeding, petition to deny,



objection or investigation, in the case of clauses (A) and (B), challenging this Agreement or the transactions contemplated hereby or that would or would be reasonably likely to otherwise prevent or materially impede, interfere with, hinder or delay the consummation of the transactions contemplated by this Agreement;

(iii) cooperate with Company and each Seller in (A) determining which filings are required to be made prior to the Effective Time with, and which material consents, approvals, Permits, notices or authorizations are required to be obtained prior to the Effective Time from, Governmental Authorities or third parties in connection with the execution and delivery of this Agreement and related Contracts, including the Merger Agreement, and consummation of the transactions contemplated hereby and thereby and (B) timely making all such filings and timely seeking all such consents, approvals, Permits, notices or authorizations; and

(iv) take, or cause to be taken, all other actions and do, or cause to be done, and cooperate with Company and each Seller, as applicable, in order to do, all other things necessary or appropriate to consummate, as soon as practicable, the transactions contemplated hereby.

(b) In connection with the covenants of Buyer set forth in paragraph (a) above, and to the extent deemed appropriate by the Parties' respective counsel, Company and Sellers, on the one hand, will provide Buyer, and Buyer, on the other hand, will provide Company and Sellers, with copies of any material correspondence, filing or communication (or oral summaries or memoranda setting forth the substance thereof) between such Party or any of its representatives and any third party with respect to the obligations set forth in this *Section 5.1*. Prior to submitting or making any such correspondence, filing or communication to any Governmental Authority or members of their respective staffs, to the extent deemed appropriate by the Parties' respective counsel and permitted by applicable Law, a Party shall first provide the other Parties with a copy of such correspondence, filing or communication in draft form and give such other Parties a reasonable opportunity to discuss its content before it is submitted or filed with the relevant Governmental Authorities, and shall consider and take account of all reasonable comments timely made by the other Parties with respect thereto. To the extent deemed appropriate by the Parties' respective counsel, each of the Parties shall ensure that the other Parties are given the opportunity to attend any meetings with or other appearances before any Governmental Authority with respect to the transactions contemplated by this Agreement.

(c) For purposes of this *Section 5.1*, "reasonable best efforts" shall include, as applicable to each Party, (i) diligently prosecuting the FCC Applications, (ii) vigorously defending, contesting and objecting to any claims, Legal Proceedings, petitions to deny, objections or other proceedings, whether judicial or administrative, by or before any Governmental Authority or arbitral body challenging the Transaction, including the Merger or the Restructuring Agreements or the transactions contemplated hereby or thereby or that would otherwise prevent or materially impede, interfere with, hinder or delay the consummation of the Transaction and the other transactions contemplated by the Merger or the Restructuring Agreements, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Authority or arbitral body vacated or reversed, and (iii) executing settlements, undertakings, consent decrees, stipulations or other Contracts; *provided, however,*

that, notwithstanding any provision of this Agreement to the contrary, other than with respect to Auxiliary Measures, Company shall not be required to (A) waive any substantial rights or accept any substantial limitation on its operations, in each case, in respect of any Material Assets, or to dispose of any Material Assets; or (B) dispose of any assets, or otherwise take or agree to take any action or agree or consent to any limitations or restrictions on freedom of action with respect to, or its ability to retain, or make changes in, any such businesses, assets, licenses, services or operations of Company, MergerSub, or the Surviving Corporation (or any of their respective Affiliates) that, individually or in the aggregate, would be reasonably expected to have a Company Material Adverse Effect.

(d) Without limiting the generality of *Sections 5.1(a)–(c)* above:

(i) Within five (5) Business Days of the date of this Agreement, Buyer shall, and, pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause each applicable Seller to, file one or more applications with the FCC requesting the grant of its consent with respect to the assignment of the Stations and the FCC Licenses to the applicable Buyer Subsidiaries, as contemplated by this Agreement (the “*FCC Applications*”). Buyer and each applicable Buyer Subsidiary shall, and, pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause each applicable Seller to, use reasonable best efforts to obtain the FCC Consent as promptly as practicable. Company shall bear the cost of FCC filing fees relating to the FCC Applications. Except as otherwise contemplated by the proviso of *Section 5.1(c)*, no Party shall take (or permit its controlled Affiliates to take) any action that would, or omit to take (or permit its controlled Affiliates to omit to take), and, pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to not permit each applicable Seller to take or to omit to take, any action the failure of which to take would have, or would reasonably be expected to have, the effect of materially delaying the grant of the FCC Consent. Buyer and each applicable Buyer Subsidiary shall, and, pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause each applicable Seller to, oppose any petitions to deny or other objections filed with respect to the FCC Applications to the extent such petition or objection relates to such Party. As may reasonably be necessary to facilitate the grant of the FCC Consent, and pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause each applicable Seller to promptly enter into customary assignment or other arrangements as may be requested by the FCC to resolve any complaints with the FCC relating to any FCC License with respect to any Station, and, provided, that (y) in the event that the FCC advises Company or any Seller, or (z) upon the reasonable determination of the Company following consultation with Legacy Parent and their respective special communications counsel in connection with the Merger Agreement, that the grant of FCC Consent would be expedited in any material respect by Buyer’s acceptance of liability as part of or in lieu of such assignment or other arrangements, then, at Company’s election and subject to the indemnification obligation set forth in *Section 8.1(c)*, Buyer agrees to accept liability in connection with any enforcement action by the FCC with respect to such complaints.

(ii) Within five (5) Business Days of the date of this Agreement, Buyer and each applicable Buyer Subsidiary shall, and, pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause each applicable Seller to, make any required filings with the Federal Trade Commission and the

United States Department of Justice pursuant to the HSR Act, with respect to the transactions contemplated hereby, including a request for early termination of the waiting period thereunder, and shall thereafter promptly respond to all requests received from such agencies for additional information or documentation. Any filing fees payable under the HSR Act relating to the transactions contemplated hereby shall be borne by Company.

(e) In connection with the expiration of the Station Licenses as set forth on *Schedule 3.9*, if, at any point prior to the Closing, an application for the renewal of any Station License (a “**Renewal Application**”) must be filed pursuant to the Communications Laws, pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause each applicable Seller to timely execute, file and prosecute with the FCC such Renewal Application in accordance with this *Section 5.1(e)*. In order to avoid disruption or delay in the processing of the FCC Applications, Buyer and each applicable Buyer Subsidiary shall, and shall cause its Affiliates to, agree (i) as part of the FCC Applications, to request that the FCC apply its policy of permitting the assignment of FCC licenses in transactions involving multiple stations to proceed, notwithstanding the pendency of any application for the renewal of any such FCC license, and (ii) to make such representations and undertakings as are necessary or appropriate to invoke such policy, including undertakings to assume, as between the Parties and the FCC, the position of the applicant before the FCC with respect to any pending Renewal Application and to assume the corresponding regulatory risks relating to any such Renewal Application. In addition, Buyer acknowledges that, as contemplated by the Merger Agreement and to the extent reasonably necessary to expedite the grant by the FCC of any Renewal Application with respect to any Station and thereby to facilitate the grant of the FCC Consent with respect to such Station, Legacy Parent and any applicable Seller shall be permitted to enter into tolling agreements with the FCC to extend the statute of limitations for the FCC to determine or impose a forfeiture penalty against such Station in connection with (i) any pending complaints that such Station aired programming that contained obscene, indecent or profane material or (ii) any other enforcement matters against such Station with respect to which the FCC may permit Legacy Parent and any applicable Seller to enter into a tolling agreement; *provided*, that Buyer shall only agree, subject to the indemnification obligation set forth in *Section 8.1(c)*, to accept liability in connection with any such complaint or enforcement action by the FCC, (y) if so requested by the FCC as part of such tolling or other arrangements or (z) upon the reasonable determination of the Company following consultation with Legacy Parent and their respective special communications counsel in connection with the Merger Agreement that such acceptance would expedite the grant of a Renewal Application or facilitate the grant of the FCC Consent as contemplated above. Buyer, each applicable Buyer Subsidiary, and Company shall, and pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause any applicable Seller to, consult in good faith with each other prior to Legacy Parent or any applicable Seller entering into any such tolling agreement under this *Section 5.1(e)*.

(f) If the Closing shall not have occurred for any reason within the original effective period of the FCC Consent, and no Party shall have terminated this Agreement under *Article VII*, Buyer and each applicable Buyer Subsidiary shall, and pursuant to the terms and subject to the conditions of the Merger Agreement, Legacy Parent has agreed to cause each Seller to, jointly request an extension of the effective period of the FCC Consent. No extension of the FCC Consent shall limit the right of either Party to exercise its rights under *Article VII*.

## 5.2 *Conduct of Business.*

(a) Insofar as (i) the Merger Agreement provides for certain customary covenants with respect to the maintenance of Legacy Parent's business, including with respect to the Stations, prior to the Merger; (ii) this Agreement contemplates that the Stations and Purchased Assets are to be assigned and conveyed from each applicable Seller directly to the applicable Buyer Subsidiaries immediately upon the Merger; and (iii) the Transaction integrates the Merger and the transactions contemplated under this Agreement, the Parties have agreed that this Agreement shall provide Buyer with the benefit of certain covenants derived from, and subject, to the terms and conditions of the Merger Agreement. Accordingly, for purposes of this Section 5.2, the Parties hereby acknowledge and agree that (y) any covenant of Company set forth in this Agreement pertaining to the maintenance of the Business and the Stations prior to the Closing Date is subject to, and shall be construed to not expand or enlarge upon, the covenants of Legacy Parent set forth in Section 5.1 of the Merger Agreement, and (z) the Company's covenants in Sections 5.2(b) and (c) below to enforce the covenants of Legacy Parent shall, at all times, remain subject to, and shall operate only to the extent of, the terms and conditions of the Merger Agreement and applicable Law.

(b) ***Certain Affirmative Covenants.*** Subject to Section 5.2(a), from the date hereof until the Closing Date, except as otherwise consented to by Buyer in writing, Company shall use commercially reasonable efforts to enforce its rights under the Merger Agreement to cause each Seller, in turn, to use its commercially reasonable efforts to:

(i) operate and control the Stations in all material respects in the ordinary course of business and in a manner consistent with past practices (except where such conduct would conflict with the covenants of Sellers contained herein or with Seller's other obligations under this Agreement) and otherwise in compliance in all material respects with the FCC Licenses and all applicable Laws, including the Communications Laws;

(ii) perform in all material respects all obligations under the Assumed Contracts and any other documents relating to or affecting the Purchased Assets or the Business; and

(iii) remain qualified under the Communications Laws to perform its obligations hereunder and to be the licensee of, and to own and operate, the Stations.

(c) ***Certain Negative Covenants.*** Subject to Section 5.2(a), from the date hereof until the Closing Date, except as otherwise consented to by Buyer in writing, Company shall use commercially reasonable efforts to enforce its rights under the Merger Agreement to cause each Seller, in turn, to use its commercially reasonable efforts to not:

(i) other than in the ordinary course of business, assign, sell, lease (as lessor), transfer or dispose of, or agree to assign, sell, lease (as lessor), transfer or dispose of, any material Purchased Assets without replacement thereof with functionally equivalent or superior assets;

(ii) enter into any local marketing agreement, joint sales agreement, shared services agreement or other similar Contract (a "***Sharing Arrangement***") with

any Person in respect of the programming or operations of the Stations, except for those certain agreements expressly contemplated hereby for execution and delivery at the Closing; or

(iii) by act or failure to act, adversely modify, or fail to maintain in full force and effect in accordance with their respective terms and conditions, any of the material FCC Licenses or take or fail to take any action that could reasonably be expected to cause the FCC or any other Governmental Authority to institute proceedings for the suspension, revocation or adverse modification of any of such material FCC Licenses in any material respect.

**5.3 *Obligation to Consummate Transaction.*** Subject to *Section 5.1*, each of the Parties agrees to use all commercially reasonable efforts to take, or cause to be taken, all action, and to do, or cause to be done, all things necessary, proper or advisable to the extent permissible under applicable Laws and, as applicable, subject to the terms and conditions of the Merger Agreement, to consummate and make effective the transactions contemplated by this Agreement as expeditiously as practicable and to ensure that the conditions set forth in *Article VI* are satisfied, insofar as such matters are within the control of such Party. Buyer and Company shall each cooperate with one another and use commercially reasonable efforts to secure or further evidence and execute the Acquisition Financing Arrangement.

**5.4 *Updated Schedules.*** Company and Sellers shall promptly disclose in writing to Buyer, and Buyer shall promptly disclose in writing to Company, any information contained in its respective representations and warranties or Sellers' disclosure schedules hereto that is or becomes incomplete or incorrect at any time after the date hereof and until the Closing Date. In the case of Company, any such disclosure shall be in the form of an updated schedule, marked to reflect the new or amended information. In the event Company or any Seller makes any such disclosure prior to the Closing, such disclosure shall be deemed to amend and supplement the representations and warranties of Company and such Seller.

### **5.5 *Confidentiality***

(a) ***Seller Confidentiality Agreement.*** Each Seller shall and shall cause its Affiliates and its and their respective counsel, accountants, financial advisors, lenders and other agents and representatives to: (i) protect the Buyer Confidential Information with at least the same degree of care, but no less than reasonable care, with which it protects its own most sensitive confidential information and not to disclose or reveal any Buyer Confidential Information to any Person other than to its Affiliates, Legacy Parent, any other Seller or Company or to its or its Affiliates', its permitted assigns', Legacy Parents', any other Seller's or Company's respective officers, directors, employees, attorneys, accountants, other agents and representatives, including engineers, financial advisors, current and prospective lenders who need to know the Buyer Confidential Information in connection with any investigation of Sellers or the negotiation, preparation or performance of this Agreement, the Merger Agreement or any document to be delivered hereunder or thereunder or for the purpose of evaluating Sellers or the transactions contemplated hereby, except to the extent that disclosure of Buyer Confidential Information has been consented to in writing by Buyer; and (ii) not use the Buyer Confidential Information for any purpose other than (x) in connection with the evaluation or consummation of the transactions contemplated by this Agreement; (y) to the extent necessary in connection with any filing requirements under applicable Law or to obtain any Consents; or (z) to enforce Sellers'

rights and remedies under this Agreement. The obligations of each Seller under this *Section 5.5(a)* shall survive the Closing or the termination of the Agreement for a period of three (3) years after such Closing or termination, as applicable.

(b) ***Buyer Confidentiality Agreement.*** Buyer shall and shall cause its Affiliates and permitted assigns, and its and their respective counsel, accountants, financial advisors, lenders and other agents and representatives to: (i) protect the Seller Confidential Information with at least the same degree of care, but no less than reasonable care, with which it protects its own most sensitive confidential information and not to disclose or reveal any Seller Confidential Information to any Person other than to its or its Affiliates' respective officers, directors, employees, attorneys, accountants, other agents and representatives, including engineers, financial advisors, current and prospective lenders who need to know the Seller Confidential Information in connection with the performance of this Agreement or any document to be delivered hereunder or for the purpose of evaluating the transactions contemplated hereby, except to the extent that disclosure of such Seller Confidential Information has been consented to in writing by the applicable Seller or Sellers; and (ii) not use the Seller Confidential Information for any purpose other than (x) in connection with the evaluation or consummation of the transactions contemplated by this Agreement; (y) to the extent necessary in connection with any filing requirements under applicable Law or to obtain any Consents; or (z) to enforce Buyer's rights and remedies under this Agreement. The obligations of Buyer under this *Section 5.5(b)* shall survive the Closing or the termination of the Agreement for a period of three (3) years after such Closing or termination, as applicable.

(c) ***Company Confidentiality Agreement.*** Company shall and shall cause its Affiliates and its and their respective counsel, accountants, financial advisors, lenders and other agents and representatives to: (i) protect the Buyer Confidential Information with at least the same degree of care, but no less than reasonable care, with which it protects its own most sensitive confidential information and not to disclose or reveal any Buyer Confidential Information to any Person other than to its Affiliates, Legacy Parent, any Seller or to its or its Affiliates', its permitted assigns', Legacy Parent's, or any Seller's respective officers, directors, employees, attorneys, accountants, other agents and representatives, including engineers, financial advisors, current and prospective lenders who need to know the Buyer Confidential Information in connection with any investigation of Company or Sellers or the negotiation, preparation or performance of this Agreement or any document to be delivered hereunder or for the purpose of evaluating Company or Sellers or the transactions contemplated hereby, except to the extent that disclosure of Buyer Confidential Information has been consented to in writing by Buyer; and (ii) not use the Buyer Confidential Information for any purpose other than (x) in connection with the evaluation or consummation of the transactions contemplated by this Agreement; (y) to the extent necessary in connection with any filing requirements under applicable Law or to obtain any Consents; or (z) to enforce Company's rights and remedies under this Agreement. The obligations of Company under this *Section 5.5(c)* shall survive the Closing or the termination of the Agreement for a period of three (3) years after such Closing or termination, as applicable.

(d) ***Equitable Relief.*** Each of Buyer, Sellers and Company acknowledges and agrees that a breach of this *Section 5.5* by any Party will cause irreparable damage and great loss to the non-breaching Party and its Affiliates or permitted assigns, the

exact amount of which will be difficult to ascertain and that the remedies at law for any such breach will be inadequate. Accordingly, each of Buyer, Sellers and Company acknowledges and agrees that in the event of such a breach, the non-breaching Party shall be entitled to equitable relief, including injunctive relief, without posting bond or other security and without a showing of the inadequacy of monetary damages as a remedy.

5.6 ***Public Announcements.*** Buyer, Sellers and Company shall not issue any press release or otherwise make any public statement with respect to the transactions contemplated hereby without the prior written consent of the other Parties hereto.

5.7 ***Checks; Remittances and Refunds.*** After the Closing, if any Seller or its Affiliates receives any payment, refund or other amount which is attributable to, results from or is related to a Purchased Asset and which is properly due and owing to Buyer in accordance with the terms of this Agreement, such Seller shall promptly remit, or cause to be remitted, such amount to Buyer. Each Seller shall promptly endorse and deliver to Buyer any notes, checks, negotiable instrument, letters of credit or other documents received on account of, attributable to or otherwise relating to the Purchased Assets which are properly due and owing to Buyer in accordance with the terms of this Agreement, and Buyer shall have the right and authority to endorse, without recourse, the name of such Seller or any of its Affiliates on any such instrument or document. After the Closing, if Buyer or its Affiliates receives any refund or other amount which is properly due and owing to a Seller in accordance with the terms of this Agreement, Buyer shall promptly remit, or cause to be remitted, such amount to such Seller.

5.8 ***Cooperation in Litigation.*** From and after the Closing Date, Company, each Seller and Buyer shall fully cooperate with each other in the defense or prosecution of any litigation or examination, audit, or other proceeding instituted prior to the Closing or which may be instituted hereafter against or by such Parties relating to or arising out of the conduct of the Business prior to or after the Closing (other than litigation between Buyer and any Seller or their respective Affiliates arising out of the transactions contemplated hereby or by the other agreements, certificates and documents delivered in connection herewith). The Party requesting such cooperation shall pay the reasonable out-of-pocket costs and expenses incurred in providing such cooperation (including legal fees and disbursements) as well as any applicable Taxes in connection therewith by the Party providing such cooperation and by its officers, directors, employees and agents, but shall not be responsible for reimbursing such Party or its officers, directors and employees for their time spent in such cooperation, *provided*, that the amount of such time is reasonable and consistent with such person's other obligations.

5.9 ***No Premature Assumption of Control; Conduct of Buyer's Business.***

(a) Nothing contained in this Agreement shall give Buyer any right to, directly or indirectly, control, supervise or direct, or attempt to control, supervise or direct, the programming, operations, or any other matter relating to any Station prior to the Closing Date, and Sellers shall have complete control and supervision of the programming, operations, policies and all other matters relating to the Stations up to the time of the Closing.

(b) Buyer shall remain qualified under the Communications Laws to become the licensee of the Stations as contemplated upon the Closing. Buyer shall not enter into

or commit to become a party to any Sharing Arrangement with respect to a broadcast television station in any Market, other than as contemplated hereby. Buyer shall not amend or modify those certain Management Services Agreements, dated as of the date hereof, by and among Buyer Parent and Buyer with respect to the provision of certain management services from and after the Closing.

(c) Buyer shall perform its obligations under, and otherwise comply with the terms of, the Acquisition Financing Arrangement and shall use its reasonable best efforts to effect the consummation of the Acquisition Financing Arrangement as of the Closing.

#### 5.10 ***Transferred Employees.***

(a) No later than ten (10) days prior to the Closing Date, Company and Buyer shall prepare an agreed-upon list of the Employees whom Buyer will hire as Buyer employees as of the Closing Date. Such Employees shall be offered employment, as of the Closing Date, on employment terms and conditions substantially similar in all material respects to those applicable to such Employees as of the time immediately prior to the Closing Date, and those Employees who accept such employment are referred to herein collectively as “***Transferred Employees.***” Sellers shall transfer all personnel records of each Transferred Employee to Buyer at Closing if and to the extent such Transferred Employee has consented to such transfer and otherwise permitted by applicable Law; *provided*, that the transfer of a Seller’s personnel records for such Transferred Employee shall not be a condition precedent to Buyer’s employment of such Transferred Employee. Notwithstanding anything to the contrary contained herein, Buyer is not obligated to hire any Employees or assume any contract with any Employees, and all agreements (whether oral or written) for the employment of such Persons by Sellers shall be deemed to be Excluded Assets.

(b) Sellers shall be responsible for paying, prior to the Closing Date, all amounts in respect of any accrued and unpaid vacation and sick leave to all Transferred Employees that were Employees of Sellers. Buyer shall have no obligation to allow Transferred Employees to use any accrued and unpaid vacation or sick leave after the Closing Date.

(c) With respect to any Employee who is not a Transferred Employee and whose employment is terminated by a Seller in connection with transactions contemplated by this Agreement, such Seller shall be solely responsible for the costs of any severance or change-in-control payments due and owing to such Employee.

(d) Sellers shall retain all liability and responsibility for “COBRA” healthcare continuation coverage required to be offered and provided under Section 4980B of the Code and Sections 601-608 of ERISA and equivalent state laws, if any, to Employees and Sellers’ former employees who are not Transferred Employees and any other COBRA or state-law qualified beneficiaries under such Seller’s health plan(s) who have elected or are eligible to elect COBRA or state-law continuation coverage as of or prior to the Closing Date or who incur a COBRA or state-law qualifying event in connection with the transactions contemplated by this Agreement.



(e) This *Section 5.10* shall operate exclusively for the benefit of the Parties and not for the benefit of any other Person, including any Transferred Employee or any current, former or retired employee of any Seller or any spouse or dependents of such Persons.

5.11 ***WARN Act.*** Buyer and Company agree to cooperate in good faith with each other and, in connection with the Merger Agreement, with each Seller, to determine whether any notification may be required under the WARN Act, as a result of the transactions contemplated under the Agreement and, if such notices are required, to provide such notice in a manner that is reasonably satisfactory to each of the Parties and any applicable Seller.

5.12 ***Expenses.***

(a) All filing fees and other charges levied by any Governmental Authority in connection with the transactions contemplated by this Agreement, including those fees relating to the FCC Applications and those fees related to filings made pursuant to the HSR Act, shall be paid by Company.

(b) Except as expressly set forth herein, each Party hereto shall bear its own costs and expenses incurred in connection with the transactions contemplated hereby.

5.13 ***Further Assurances.*** At any time and from time to time after the Closing Date, upon the request of Buyer, Company and each Seller covenant and agree to do, execute, acknowledge, deliver and file, or cause to be done, executed, acknowledged, delivered or filed, all such further acts, deeds, transfers, conveyances, assignments or assurances as may be reasonably required for the better transferring, conveying, assigning and assuring to Buyer, or for the aiding and assisting in the reducing to possession by Buyer of, any of the Purchased Assets, or for otherwise carrying out the purposes of this Agreement and the other agreements, certificates and documents delivered in connection herewith and the consummation of the transactions contemplated hereby and thereby.

## **ARTICLE VI. CONDITIONS PRECEDENT**

6.1 ***Conditions to Obligations of the Parties.*** The respective obligations of each Party to consummate the transactions contemplated by this Agreement are subject to the satisfaction of the following conditions:

(a) ***Certain Governmental Approvals.***

(i) The FCC Consent shall have been granted and shall be effective; and

(ii) Any waiting period (and any extension thereof) applicable to consummation of the transactions contemplated by this Agreement under the HSR Act shall have expired or shall have been terminated.

(b) ***Merger.*** The Merger shall be consummated simultaneously with the consummation of the transactions contemplated herein.

6.2 **Conditions to Obligations of Buyer.** The obligations of Buyer to consummate the transactions contemplated by this Agreement are subject to the satisfaction or waiver by Buyer of the following conditions:

(a) **Representations and Warranties; Covenants.** All representations and warranties of Company and Sellers contained in this Agreement (without giving effect to any qualifications regarding materiality, including the words “Material Adverse Effect,” “material,” “in all material respects” or like words) shall be true and correct as of the date of this Agreement and at and as of the Closing as if made on the Closing Date (other than any representation or warranty that is expressly made as of a specified date, which shall be true and correct as of such specified date only), and Sellers shall have performed and complied in all respects with all covenants and agreements required to be performed or complied with by Company or Sellers on or prior to the Closing Date, except to the extent that the failure of the representations and warranties of Company and Sellers contained in this Agreement to be so true and correct at and as of the Closing (or in respect of any representation or warranty that is expressly made as of a specified date, as of such date only) or the failure of a covenant of Company and Sellers to be performed, has not had and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) **Officer’s Certificate.** Buyer shall have received a certificate, dated as of the Closing Date, duly executed by an authorized officer of the applicable Seller certifying that:

(i) the conditions set forth in *Section 6.2(a)* have been fulfilled; and

(ii) all documents to be executed by Sellers and delivered at the Closing have been executed by a duly authorized officer of such Seller.

(c) **No Injunction.** No Law shall have been enacted, entered, promulgated or enforced by any Governmental Authority that prohibits the consummation of all or any part of the transactions contemplated by this Agreement and the other agreements, certificates and documents delivered in connection herewith, and no action or proceeding shall be pending or threatened by any Governmental Authority or other Person seeking any such order or decree or seeking to recover any damages or obtain other relief as a result of the consummation of such transactions.

(d) **Acquisition Financing Arrangement.** The applicable third party lenders shall stand ready to consummate the Acquisition Financing Arrangement.

(e) **Documents for Delivery to Buyer at Closing.**

(i) Company shall have delivered or caused to be delivered to Buyer and the applicable Buyer Subsidiary designated in writing by Buyer:

(1) duly executed Joint Sales Agreements with respect to the Stations identified in *Exhibit B-1* and in substantially the form attached hereto as *Exhibit B-2*;

(2) duly executed Shared Services Agreements (a) with respect to the Stations identified in *Exhibit C-1* and in substantially the form attached hereto as *Exhibit C-2*, and (b) with respect to the Stations identified in *Exhibit D-1* and in substantially the form attached hereto as *Exhibit D-2*;

(3) a duly executed Transition Services Agreement with respect to KMSB(TV), Tucson, Arizona, in substantially the form attached hereto as *Exhibit E*;

(4) a duly executed Parent Option Agreement in substantially the form attached hereto as *Exhibit F*;

(5) duly executed Station Option Agreements with respect to the Stations identified in *Exhibit G-1* and in substantially the form attached hereto as *Exhibit G-2*;

(ii) Each Seller, as applicable, shall have delivered or caused to be delivered to Buyer and the applicable Buyer Subsidiary designated in writing by Buyer:

(1) a duly executed Joinder Agreement in substantially the form attached hereto as *Exhibit A*;

(2) a duly executed Bill of Sale, in substantively the form attached hereto as *Exhibit H*

(3) a duly executed Assignment and Assumption Agreement effecting the assignment of the Assumed Contracts, in substantially the form attached hereto as *Exhibit I*; and

(4) a duly executed Assignment and Acceptance Agreement effecting the assignment of the FCC Licenses, in substantially the form attached hereto as *Exhibit J*.

**6.3 Conditions to Obligations of Company and Sellers.** The obligations of Company with respect to the Closing and the obligations of Company and each Seller to consummate the transactions contemplated by this Agreement are subject to the satisfaction of the following conditions, unless waived by Company:

(a) **Representations and Warranties; Covenants.** The representations and warranties of Buyer contained herein that are qualified by materiality or subject to thresholds shall be true and correct in all respects and the representations and warranties of Buyer that are not so qualified contained herein shall be true and correct in all material respects as of the date hereof and as of the Closing Date as if made on and as of the Closing Date. Buyer shall have performed and complied in all material respects with all covenants and agreements required to be performed or complied with by Buyer and on or prior to the Closing Date.

(b) **Officer's Certificate.** Sellers shall have received a certificate, dated as of the Closing Date, duly executed by an authorized officer of Buyer, certifying that:

(i) the conditions set forth in *Section 6.3(a)* have been fulfilled; and

(ii) all documents to be executed by Buyer and delivered at the Closing have been executed by a duly authorized officer of Buyer.

(c) ***Certain Closing Deliveries.*** Buyer shall have delivered or caused to be delivered to Sellers and Company, as applicable:

(i) payment of the Purchase Price by wire transfer of immediately available funds directly to the account designated by Sellers (or such other method of funds transfer as may be agreed upon in writing by Buyer and Sellers);

(ii) duly executed Joint Sales Agreements with respect to the Stations identified in *Exhibit B-1* and in substantially the form attached hereto as *Exhibit B-2*;

(iii) duly executed Shared Services Agreements (a) with respect to the Stations identified in *Exhibit C-1* and in substantially the form attached hereto as *Exhibit C-2*, and (b) with respect to the Stations identified in *Exhibit D-1* and in substantially the form attached hereto as *Exhibit D-2*;

(iv) a duly executed Transition Services Agreement with respect to KMSB(TV), Tucson, Arizona, in substantially the form attached hereto as *Exhibit E*;

(v) a duly executed Parent Option Agreement in substantially the form attached hereto as *Exhibit F*;

(vi) duly executed Station Option Agreements with respect to the Stations identified in *Exhibit G-1* and in substantially the form attached hereto as *Exhibit G-2*;

(vii) a duly executed Bill of Sale, in substantively the form attached hereto as *Exhibit H*;

(viii) a duly executed Assignment and Assumption Agreement effecting the assignment of the Assumed Contracts in substantially the form attached hereto as *Exhibit I*; and

(ix) a duly executed Assignment and Acceptance Agreement effecting the assignment of the FCC Licenses, in substantially the form attached hereto as *Exhibit J*.

(d) ***Tucson Joint Sales Agreement.*** Buyer shall have delivered a duly executed Joint Sales Agreement with respect to KTTU(TV), Tucson, Arizona, in substantially the form attached hereto as *Exhibit B-3* to the party identified therein as the Station Licensee.

(e) ***Certificates of Good Standing.*** Company and Sellers shall have received certificates of good standing in respect of Buyer and each Buyer Subsidiary certified by

the Secretary of State of the State of Delaware, dated as of a date not more than ten (10) days prior to the Closing Date.

(f) **Other Documents.** Company and Sellers shall have received such other documents, certificates or instruments as it may reasonably request, and all actions and proceedings hereunder and all documents and other papers required to be delivered by Buyer hereunder or in connection with the consummation of the transactions contemplated hereby, and all other related matters, shall be reasonably acceptable to Company and Sellers as to their form and substance.

6.4 **Frustration of Closing Conditions.** With respect to the conditions to its obligations to consummate the transactions contemplated by this Agreement as provided hereunder and its rights to terminate this Agreement as provided in *Section 7.1*, no Party may rely on the failure of any condition set forth in this *Article VI* to be satisfied if such failure was caused by such Party's failure to act in good faith or to use its commercially reasonable efforts to cause the Closing to occur to the extent required by *Section 5.3*.

## **ARTICLE VII. TERMINATION**

7.1 **Termination.** This Agreement shall terminate on the earlier to occur of any of the following events:

- (a) the termination or expiration of the Merger Agreement;
- (b) the mutual written agreement of Buyer and Company;
- (c) **[Reserved.]**
- (d) by Notice of Termination of Buyer to Company, if Company or any Seller, as applicable, shall have materially breached any of its representations, warranties, covenants, agreements or obligations hereunder; *provided, however*, that Buyer's right under this *Section 7.1(d)* may not be exercised after the Closing;
- (e) by Notice of Termination of Company to Buyer, if Buyer shall have materially breached any of its representations, warranties, covenants, agreements or obligations hereunder; *provided, however*, that Company's right under this *Section 7.1(e)* may not be exercised after the Closing; or
- (f) by Notice of Termination of Company to Buyer at any time prior to the Closing;

*provided, however*, without limiting the generality of *Section 7.2(b)*, that Company's obligation pursuant to *Section 8.1(g)* shall survive any such termination.

7.2 **Procedure and Effect of Termination.**

(a) **Notice of Termination.** Any termination by either Party shall be communicated by a written notice to the other Party (the “**Notice of Termination**”). The Notice of Termination shall indicate the termination provision in this Agreement claimed to provide a basis for termination of this Agreement. Termination of this Agreement pursuant to the terms and subject to the conditions of *Section 7.1* shall be effective upon and as of the date of delivery of a Notice of Termination.

(b) **Certain Effects of Termination.** Nothing in this *Article VII* shall relieve either Party of any liability for a breach of this Agreement prior to the termination hereof. Except as provided in the foregoing sentence, (i) upon the termination of this Agreement, all rights and obligations of the Parties under this Agreement shall terminate, except their respective obligations under *Sections 5.5(a), 5.5(b), 5.5(c)* and *5.6, Article VIII* and this *Section 7.2(b)*, which shall survive the termination of this Agreement except as specifically provided in such sections, and (ii) neither of the Parties nor any of their respective partners, directors, officers, shareholders, employees, agents, representatives or Affiliates (each, a “**Related Party**”) shall have any liability or further obligation to the other Party or any of their respective Related Parties pursuant to this Agreement with respect to which termination has occurred, except in respect of the rights and obligations identified in clause (i) above, which shall survive as provided in this *Section 7.2(b)*.

(c) **Withdrawal of Certain Filings.** All filings, applications and other submissions relating to the transactions contemplated by this Agreement as to which termination has occurred shall, to the extent practicable, be withdrawn from the Governmental Authority or other Person to which made.

## **ARTICLE VIII. INDEMNIFICATION**

8.1 **Indemnification by Company.** Company shall indemnify and hold harmless Buyer and its Affiliates, and the directors, members, manager, officers, employees and other agents and representatives of Buyer and its Affiliates (the “**Buyer Indemnified Parties**”) from and against any and all liabilities, judgments, claims, settlements, losses, damages, fees, Liens, Taxes, penalties, obligations and expenses (including reasonable attorneys’ fees and expenses and costs and expenses of investigation and costs of enforcing a right of indemnification under this Agreement) (collectively, “**Losses**”) incurred by the Buyer Indemnified Parties, whether or not resulting from third party claims, arising out of or resulting from:

(a) any breach or inaccuracy of any representation or warranty of Company or Sellers contained in this Agreement or any certificate, instrument or other document delivered by Company or Sellers hereunder or in connection with the consummation of the transactions contemplated hereby or thereby;

(b) the non-fulfillment or breach of any covenant, obligation or agreement made by Company or Sellers in this Agreement;

(c) any Retained Liability (including Losses which Buyer incurs as a result of accepting liability for any enforcement action by the FCC relating to any period prior to the Closing pursuant to *Sections 5.1(d) and (e)* above);

(d) the failure of Company or Sellers, as applicable, to comply with any Laws relating to bulk sales or Taxes applicable to the transactions contemplated by this Agreement;

(e) the conduct and operation of the Business prior to the Closing Date;

(f) the absence of any necessary Consent with respect to an Assumed Contract as of the Closing; or

(g) the negotiation and the document preparation relating to this Agreement, the Buyer Ancillary Agreements, any other Transaction Documents, and any amendments to the foregoing.

8.2 ***Indemnification by Buyer.*** Buyer shall indemnify and hold harmless Company, each Seller, their respective Affiliates, and the directors, officers, employees and other agents and representatives of Company, each Seller and their respective Affiliates (the “***Seller Indemnified Parties***”) from and against any and all Losses incurred by the Seller Indemnified Parties, whether or not resulting from third party claims, arising out of or resulting from:

(a) any breach or inaccuracy of any representation or warranty of Buyer contained in this Agreement or any certificate or other document delivered by Buyer hereunder or in connection with the consummation of the transactions contemplated hereby or thereby; or

(b) the non-fulfillment or breach by Buyer of any covenant, obligation or agreement made by it in this Agreement.

8.3 ***Calculation of Losses.*** Any indemnity payment hereunder shall be treated as an adjustment to the Purchase Price to the extent permitted by applicable Law. Where the receipt of any such payment is treated for Tax purposes in a manner other than as an adjustment to the Purchase Price, the amount of the payment shall be adjusted to take account of any net Tax cost actually incurred, or benefit actually enjoyed, by the Claimant in respect thereof.

8.4 ***Certain Procedures for Indemnification.*** The procedure for indemnification shall be as follows:

(a) The party claiming indemnification (the “***Claimant***”) shall promptly give notice to the party from which indemnification is claimed (the “***Indemnifying Party***”) of any claim, specifying in reasonable detail the factual basis for the claim, the amount thereof, estimated in good faith, all with reasonable particularity and containing a reference to the provisions of this Agreement in respect of which such indemnification claim shall have occurred. If the claim relates to an action, suit or proceeding filed by another Person against Claimant, such notice shall be given by Claimant within ten (10) Business Days after written

notice of such action, suit or proceeding was given to Claimant. Notwithstanding the foregoing, the failure to provide any notice required under this paragraph shall not affect the indemnification required to be provided under this Agreement, except to the extent the Indemnifying Party shall have been prejudiced as a result of such failure.

(b) With respect to claims solely between the Parties, following receipt of notice from the Claimant of a claim, the Indemnifying Party shall have thirty (30) days to make such investigation of the claim as the Indemnifying Party deems necessary or desirable, and the Claimant agrees to make available to the Indemnifying Party and its authorized representatives the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of the thirty (30)-day period to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Claimant the full amount of the claim, subject to the terms hereof. If the Claimant and the Indemnifying Party do not agree within the thirty (30)-day period, the Claimant may seek appropriate remedy at law or equity, as applicable, subject to the limitations hereof.

(c) With respect to any claim by any other Person against the Claimant (a “**Third Party Claim**”), the Indemnifying Party shall have the right at its own expense, to participate in or assume control of the defense of such claim, and the Claimant shall cooperate fully with the Indemnifying Party, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of any Third Party Claim, the Claimant shall have the right to participate in the defense of such claim at its own expense. If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any Third Party Claim, then the Claimant may defend through counsel of its own choosing and (so long as it gives the Indemnifying Party at least ten (10) Business Days’ notice of the terms of the proposed settlement thereof and permits the Indemnifying Party to then undertake the defense thereof) settle such claim, action or suit and to recover from the Indemnifying Party the amount of such settlement or of any judgment and the costs and expenses of such defense. 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.

(d) If a claim, whether between the Parties or by any other Person, requires immediate action, the Parties will make every effort to reach a decision with respect thereto as expeditiously as possible

(e) Subject to the limitations set forth herein and without expanding the total liability of Buyer or Company hereunder, the indemnification rights provided in *Section 8.1* and *Section 8.2* shall extend to the Related Parties of any Claimant although for the purpose of the procedures set forth in this *Section 8.4*, any indemnification claims by such Related Parties shall be made by and through the Claimant.



8.5 ***Limitations on Indemnity Obligations.*** Notwithstanding anything to the contrary contained in this *Article VIII*:

(a) No Indemnifying Party shall have any liability under any provision of this Agreement for any consequential, exemplary or punitive damages or any multiple of damages or diminution in value, except indemnification if such are awarded to any applicable third party pursuant to a Third Party Claim.

(b) Any liability for indemnification under this *Article VIII* shall be determined without duplication of recovery by reason of the state of facts giving rise to such liability constituting a breach of more than one representation, warranty, covenant or agreement.

(c) The Claimant shall take all commercially reasonable steps to mitigate Losses for which indemnification may be claimed by them pursuant to this Agreement upon and after becoming aware of any event that could reasonably be expected to give rise to any such Losses.

(d) From and after the Closing, the rights of the Parties to indemnification relating to this Agreement and the transactions contemplated hereby shall be strictly limited to those contained in this *Article VIII*, and such indemnification rights shall be the exclusive remedies of the Parties subsequent to the Closing Date with respect to any matter in any way relating to this Agreement or arising in connection herewith; *provided*, that nothing contained in this Agreement shall (i) relieve or limit the liability of any Party hereto with respect to any liability arising out of, or resulting from, the fraud of such Party in connection with the transactions contemplated hereby or (ii) limit the availability of specific performance or other equitable remedies, subject to applicable Law.

(e) Any indemnification payments or obligations hereunder shall not be cumulative with any other indemnification payments or obligations of Sellers under any other Contract with Buyer executed in connection with this Agreement and the transactions contemplated hereby.

## **ARTICLE IX. MISCELLANEOUS**

9.1 ***Governing Law.*** Construction and interpretation of this Agreement shall be governed by the Laws of the State of Delaware, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive Law of another jurisdiction.

9.2 ***Notices.*** All notices, requests, demands and other communications which are required or may be given pursuant to the terms of this Agreement (including Notices of Termination) shall be in the English language and 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 (2) 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 9.2*, or at such other address as a Party may designate upon ten (10) days' prior written notice to the other Party.

9.3 ***Benefits of Agreement.*** All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Except for the provisions of *Article VIII* with respect to indemnified parties, this Agreement is for the sole benefit of the Parties hereto and not for the benefit of any third party, including, for the avoidance of doubt, any Employee.

9.4 ***Amendments and Waivers.*** 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. Such modification, amendment, waiver, consent or approval shall be effective only in the specific instance and for the purpose for which given. Neither the failure of either Party to enforce, nor the delay of either Party in enforcing, any condition or part of this Agreement at any time shall be construed as a waiver of that condition or part or a forfeiture any rights to future enforcement thereof. No action taken pursuant to this Agreement, including any investigation by or on behalf of either Party hereto, shall be deemed to constitute a waiver by the Party taking action of compliance by the other Party with any representation, warranty, covenant or agreement contained herein.

9.5 ***Assignment.*** This Agreement and the rights and obligations hereunder shall not be assignable or transferable by either Party hereto (including in connection with a merger, consolidation, sale of substantially all of the assets of such Party or otherwise by operation of Law) without the prior written consent of the other Party hereto. Any attempted assignment in violation of this *Section 9.5* shall be null and void.

9.6 ***Enforceability; Severability.*** Without limitation to *Section 5.5(d)*, (a) if any covenant or provision hereof is determined to be void or unenforceable in whole or in part, it shall not be deemed to affect or impair the validity of any other covenant or provision, each of which is hereby declared to be separate and distinct, (b) if any provision of this Agreement is so broad as to be unenforceable, such provision shall be interpreted to be only so broad as is enforceable, and (c) if any provision of this Agreement is declared invalid or unenforceable for any reason other than overbreadth, the offending provision will be modified so as to maintain the essential benefits of the bargain among the Parties hereto to the maximum extent possible, consistent with Law and public policy.

9.7 ***Entire Agreement.*** This Agreement, together with the Schedules and Exhibits expressly contemplated hereby and attached hereto and the other agreements, certificates and documents delivered in connection herewith or otherwise in connection with the transactions contemplated hereby and thereby (the "***Transaction Documents***"), as each shall be amended as of the Closing Date and as each may be further amended, restated or modified by time to time thereafter, contains the entire agreement among the Parties with respect to the

transactions contemplated by this Agreement and supersede all prior agreements or understandings among the Parties with respect to the subject matter hereof.

9.8 ***Counterparts.*** This Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Agreement.

*[Remainder of page intentionally left blank]*

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

**GANNETT CO., INC.**

By: Todd Mayman  
Name: Todd A. Mayman  
Title: Senior Vice President

**SANDER HOLDINGS CO. LLC**

**BY: SANDER MEDIA LLC, MANAGER**

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

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

**BY: SANDER MEDIA LLC, MANAGER**

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

**SANDER OPERATING CO. II LLC  
(D/B/A KTVK TELEVISION)**

**BY: SANDER MEDIA LLC, MANAGER**

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


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

**GANNETT CO., INC.**

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

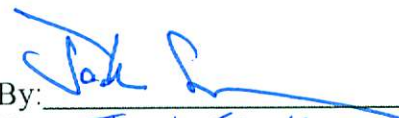
**SANDER HOLDINGS Co. LLC**

**BY: SANDER MEDIA LLC, MANAGER**

By:   
Name: *Jack Sander*  
Title: *Manager*


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

**BY: SANDER MEDIA LLC, MANAGER**

By:   
Name: *Jack Sander*  
Title: *Manager*


**SANDER OPERATING Co. II LLC**  
**(D/B/A KTVK TELEVISION)**

**BY: SANDER MEDIA LLC, MANAGER**

By:   
Name: *Jack Sander*  
Title: *Manager*


**SANDER OPERATING Co. III LLC  
(D/B/A KGW TELEVISION)**

**BY: SANDER MEDIA LLC, MANAGER**

By:   
Name: Jack Sander  
Title: Manager


**SANDER OPERATING Co. IV LLC  
(D/B/A KMOV TELEVISION)**

**BY: SANDER MEDIA LLC, MANAGER**

By:   
Name: Jack Sander  
Title: Manager

**SANDER OPERATING Co. V LLC  
(D/B/A KMSB TELEVISION)**

**BY: SANDER MEDIA LLC, MANAGER**

By:   
Name: Jack Sander  
Title: Manager

## **Exhibits to Asset Purchase Agreement**

<b>Exhibit</b>	<b>Description</b>
A	Form of Joinder Agreement
B-1	JSA Parties
B-2	Form of Joint Sales Agreement
B-3	Form of Joint Sales Agreement Between Sander Operating Co. V LLC (d/b/a KMSB Television) and Tucker Operating Co. LLC (d/b/a KTTU Television)
C-1	Phoenix and St. Louis SSA Parties
C-2	Form of Shared Services Agreement (Phoenix and St. Louis)
D-1	Portland and Louisville SSA Parties
D-2	Form of Shared Services Agreement (Portland and Louisville)
E	Form of Transition Services Agreement
F	Form of Parent Option Agreement
G-1	Station Option Agreement Parties
G-2	Form of Station Option Agreement
H	Form of Bill of Sale
I	Form of Assignment and Assumption Agreement
J	Form of Assignment of FCC Licenses

**Exhibit A**  
**Form of Joinder Agreement**



**EXHIBIT A**  
**[FORM OF]**  
**JOINDER AGREEMENT**

THIS JOINDER AGREEMENT (this “*Joinder Agreement*”) is made as of [●], 2013 by and among (i) Gannett Co., Inc. (the “*Company*”), on the one hand, and (ii) KTVK, Inc., KASW-TV, Inc., King Broadcasting Company, Belo Kentucky, Inc., KMSB-TV, Inc. and KMOV-TV, Inc. (together with KTVK, Inc., KASW-TV, Inc., King Broadcasting Company, Belo Kentucky, Inc., and KMSB-TV, Inc., individually and collectively, the “*Joining Parties*”), on the other, in favor of (iii) Sander Holdings Co. LLC (“*Buyer Parent*”), Sander Operating Co. I LLC (d/b/a WHAS Television) (“*WHAS Television*”), Sander Operating Co. II LLC (d/b/a KTVK Television) (“*KTVK Television*”), Sander Operating Co. III LLC (d/b/a KGW Television) (“*KGW Television*”), Sander Operating Co. IV LLC (d/b/a KMOV Television) (“*KMOV Television*”) and Sander Operating Co. V LLC (d/b/a KMSB Television) (“*KMSB Television*” and, together with Buyer Parent, WHAS Television, KTVK Television, KGW Television and KMOV Television, collectively, “*Buyer*”) with respect to that certain Asset Purchase Agreement, dated as of June 12, 2013 (the “*Purchase Agreement*”) executed and delivered by the Company and Buyer as of the date thereof.

**WITNESSETH**

**WHEREAS**, in connection with, and as part of, the transactions contemplated by the Purchase Agreement, the Company, Delta Acquisition Corporation, a wholly-owned subsidiary of Company (“*MergerSub*”), and Belo Corp. (“*Legacy Parent*”) have entered into that certain Merger Agreement, dated as of the date hereof (the “*Merger Agreement*”), which contemplates the merger of Legacy Parent and MergerSub, with Legacy Parent surviving the transactions contemplated by the Merger Agreement (the “*Merger*”) as a wholly-owned subsidiary of Company;

**WHEREAS**, as of the date hereof and simultaneously with the execution and delivery of this Joinder Agreement, the Company and Legacy Parent have consummated the Merger;

**WHEREAS**, pursuant to the terms and subject to the conditions of the Purchase Agreement, the Company has agreed, upon and simultaneously with the Merger, to cause each Joining Party to enter into this Joinder Agreement, pursuant to which each Joining Party (i) joins in and becomes a party to the Purchase Agreement and (ii) becomes obligated to perform the obligations of “*Seller*” thereunder;

**WHEREAS**, the execution and delivery of this Joinder Agreement is a condition to the consummation of the transactions contemplated by the Purchase Agreement; and

**WHEREAS**, the Joining Parties will derive substantial benefits from the consummation of the transactions contemplated by the Purchase Agreement;

**NOW THEREFORE**, in consideration of the terms and conditions contained herein and of other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Defined Terms.** Except as otherwise set forth herein, capitalized terms used herein have the meanings assigned to them in the Purchase Agreement. This Joinder Agreement shall be interpreted in accordance with the rules of construction set forth in *Section 1.3* of the Purchase Agreement.
2. **Joinder.** Effective as of the date hereof, each of the Joining Parties hereby agrees to join in and becomes, and hereby does join in and become, a party to the Purchase Agreement, in the capacity of Seller, as if such Joining Party had executed the Purchase Agreement, to the full extent under and possessing all of the rights, obligations, covenants, agreements and liabilities of a “Seller” thereunder.
3. **Assumption.** Effective as of the date hereof, each Joining Party hereby agrees to assume, and hereby does assume, each and every obligation, covenant, agreement and liability of a “Seller” set forth in the Purchase Agreement.
4. **Rights of Enforcement.** Each of the Company and the Joining Parties hereby agrees that the Buyer is a third-party beneficiary of this Joinder Agreement and is entitled to enforce this Joinder Agreement and the Purchase Agreement as modified in accordance herewith against each of them in accordance with their respective terms and as part of an integrated agreement.
5. **Further Assurances.** Each party hereto shall use commercially reasonable efforts to take, or cause to be taken, all such actions and to do, or cause to be done, all things necessary, proper or advisable to carry out the purposes of this Joinder Agreement, including executing and delivering such certificates, instruments and documents as the other party may reasonably request.
6. **Binding Effect; Amendments.** This Joinder 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 Joinder Agreement, nor any consent to or approval of any departure herefrom, shall be effective unless it is in writing and signed by the parties hereto.
7. **Governing Law.** This Joinder Agreement and the rights and obligations of the parties hereunder shall be governed by, and construed and enforced in accordance with, the laws of the State of New York without regard to its conflict of law rules, as though entered into by New York residents and to be performed entirely within the State of New York.
8. **Purchase Agreement Controlling.** Notwithstanding any other provisions of this Joinder 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 of, or any of the rights, remedies or obligations of the Company or Buyer under, the Purchase Agreement. This Joinder Agreement is subject to, and controlled by, the terms of the Purchase Agreement. To the extent there is a conflict between the terms and provisions of this Joinder Agreement and the terms and provisions of the Purchase Agreement, the terms and provisions of the Purchase Agreement shall govern.

9. **Counterparts.** This Joinder Agreement may be executed in any number of counterparts, and each such counterpart hereof shall be deemed to be an original instrument, but all such counterparts together shall constitute but one agreement. Delivery of an executed counterpart of a signature page of this Joinder Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed original counterpart of this Joinder Agreement.

*[Remainder of page intentionally left blank; signature pages follow]*

**IN WITNESS WHEREOF**, the parties has caused this Joinder Agreement to be duly executed and delivered as of the date and year first above written.

**GANNETT Co., INC.**

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

**KTVK, INC.**

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

**KASW-TV, INC.**

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

**KING BROADCASTING COMPANY**

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

**BELO KENTUCKY, INC.**

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

**KMSB-TV, INC.**

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

**KMOV-TV, INC.**

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

*[Signature page to Joinder Agreement]*

**Exhibit C-1**  
**Phoenix and St. Louis SSA Parties**

**EXHIBIT C-1**  
**PHOENIX AND ST. LOUIS SSA PARTIES**

	<b>Station Licensee</b>	<b>Service Provider</b>	<b>Station</b>
<b>Phoenix SSA</b>	Sander Operating Co. II LLC (d/b/a KTVK Television)	[GANNETT ENTITY]	KTVK(TV), Phoenix, AZ (Fac. ID 40993) KASW(TV), Phoenix, AZ (Fac. ID 7143) K11LC-D Prescott, AZ (Fac. ID 2756) K14NA-D, Globe & Miami, AZ (Fac. ID 13087) K15HY, Williams-Ashfork, AZ (Fac. ID 5323) K25MG-D, Flagstaff, AZ (Fac. ID 2753) K34EE-D, Prescott-Cottonwood, AZ (Fac. ID 56142) K38AI-D, Cottonwood, AZ (Fac. ID 2754) K41JE, Williams-Ashfork, AZ (Fac. ID 126160)
<b>St. Louis SSA</b>	Sander Operating Co. IV LLC (d/b/a KMOV Television)	[GANNETT ENTITY]	KMOV(TV), St. Louis, MO (Fac. ID 70034)

**Exhibit C-2**  
**Form of Shared Services Agreement (Phoenix and St. Louis)**

**EXHIBIT C-2**  
**[FORM OF]**  
**SHARED SERVICES AGREEMENT**

THIS SHARED SERVICES AGREEMENT (this “*Agreement*”) is entered into as of [●] [●], 2013 (the “*Effective Date*”) by and between [GANNETT ENTITY], a [●] [●] (“*Service Provider*”), and [SANDER ENTITY], a Delaware limited liability company (“*Station Licensee*”).

**W I T N E S S E T H:**

**WHEREAS**, as of the date hereof, with the prior consent of the FCC (as defined below), and simultaneously with the consummation of the transaction contemplated by that certain Merger Agreement, dated as of June 12, 2013, by and between Belo Corp. and Gannett Co., Inc. (“*Gannett*”), Station Licensee has assumed and acquired from [BELO ENTITY]<sup>1</sup> (“*Belo Licensee*”) certain assets (the “*Station Assets*”) of Belo Licensee related, collectively, to the television broadcast station [STATION] (the “*Station*”), including the FCC licenses relating thereto (the “*FCC Licenses*”);

**WHEREAS**, in view of the important efficiencies to be obtained by the Station through the provision of certain support services by the Service Provider, and the role of such services in the efficient operation of the Station and the promotion of the business and economic development of the Station, the parties hereto desire to enter into this Agreement as of and with respect to the period following the closing of Station Licensee’s acquisition of the Station;

**WHEREAS**, it is the parties’ expectation that Service Provider, with its experience and operating infrastructure, will maintain or enhance the overall efficiency of the Station’s operating processes and reduce costs, thereby helping the Station to serve the television viewing public in the Market (as defined below); and

**NOW, THEREFORE**, in consideration of the above recitals and of the mutual agreements and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be bound legally, agree as follows:

1. ***Defined Terms.***

1.1 For purposes of this Agreement:

“*Affiliate*” means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, without limitation, (i) a Person shall be deemed to control another Person if such

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<sup>1</sup> Belo Entities are as follows:

Phoenix SSA:	KTVK, Inc. and KASW-TV, Inc.
St. Louis SSA:	KMOV-TV, Inc.



Person (A) has sufficient power to enable such Person to elect a majority of the board of directors (or comparable governing body) of such Person, or (B) owns a majority of the beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

**“Applicable Law”** means any of the Communications Act, the FCC Rules, and all other federal, state and local constitutions, laws, statutes, codes, rules, regulations, ordinances, judgments, orders, decrees and the like of any governmental entity, including common law.

**“Communications Act”** means the Communications Act of 1934, as amended, as in effect from time to time.

**“FCC”** means the Federal Communications Commission or any successor agency thereto.

**“FCC Rules”** means the rules and published policies of the FCC as in effect from time to time.

**“Market”** means the Nielsen Designated Market Area that encompasses the Station.

**“MVPD”** means cable television systems, direct-broadcast-satellite systems, local exchange carriers, and all other multichannel video programming distributors that distribute the signals of a television broadcast station.

**“Network”** means any national television network party to any network affiliation agreement to which Station Licensee (or an Affiliate thereof, as applicable) is a party with respect to the Station.

**“Obligations of Service Provider”** means any and all obligations and duties of Service Provider under this Agreement.

**“Option Agreement”** means that certain Option Agreement, dated as of the date hereof, by and between Station Licensee and Service Provider, as such agreement may be amended from time to time pursuant to the terms thereof.

**“Person”** includes, without limitation, natural persons, corporations, business trusts, associations, companies, joint ventures, and partnerships.

**“Third Party Claim”** means 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.

**“Transaction Documents”** means this Agreement, the Option Agreement, and the other documents, agreements and instruments executed by the parties hereto and thereto in connection therewith.

1.2 In addition to the defined terms in the preamble, recitals and Section 1.1 hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<b>Term</b>	<b>Section</b>
Acquisition Financing Arrangement	<i>Schedule A</i>
Base SSA Amount	<i>Schedule A</i>
Carry-Over Amount	<i>Schedule A</i>
Defense Counsel	Section 15.4
Defense Notice	Section 15.4
Designated Expenses	<i>Schedule A</i>
Direct Claim	Section 15.4
Indemnified Party	Section 15.4
Indemnifying Party	Section 15.4
Initial Term	Section 11.1
Lease Terms	Section 6.5
Loss	Section 15.1
Management Services Agreement	Section 7.8
Other Expenses	<i>Schedule A</i>
Partial Payment	<i>Schedule A</i>
Performance Bonus	<i>Schedule A</i>
Service Provider Assignee	Section 16.3
Service Provider Indemnified Party	Section 15.2
Service Provider Premises	<i>Schedule 6.5</i>
Services Fee	<i>Schedule A</i>
Shortfall Amount	<i>Schedule A</i>
Station Expenses	<i>Schedule A</i>
Station Indemnified Party	Section 15.1
Station Revenues	<i>Schedule A</i>
Term	Section 11.2
Transition-Tail Period	<i>Schedule 6.5</i>

2. ***General Principles Governing Sharing Arrangements.*** All sharing arrangements contemplated by this Agreement will be subject to, and are intended to comply in all respects with, the Communications Act, the FCC Rules and all other Applicable Law. The arrangements made pursuant to this Agreement are not intended, and shall not be deemed, to constitute “joint sales,” “program services,” “time brokerage,” “local marketing,” or similar arrangements, or a partnership, joint venture, or agency relationship between the parties, and no such arrangement will be deemed to give Service Provider any right to control the policies, operations, management or any other matter relating to the Station.

3. ***Retained Authority and Excluded Services.***

3.1 ***Senior Management Personnel.*** Station Licensee shall maintain for the Station sufficient personnel to comply with its obligations as a broadcast licensee under the FCC Rules. Such personnel shall (a) include not less than one managerial employee, (b) be retained solely by, and report solely to, Station Licensee, and (c) have no involvement or responsibility with respect to the business and operation of the Service Provider’s stations or other media properties.

3.2 ***Programming Authority.*** Station Licensee shall retain ultimate authority with respect to the selection and procurement of programming on the Station and in furtherance thereof, each of Station Licensee and Service Provider shall maintain for its own respective broadcast television stations separate managerial and other personnel to carry out its selection and procurement of programming for its stations.

3.3 ***No Joint Advertising Sales.*** Station Licensee shall also retain ultimate authority to set prices for the advertising sales of the Station and to conduct and manage all such advertising sales, including the following, which shall be deemed excluded from the services provided hereunder by Service Provider: (a) advertising in connection with the Station and any Station website, (b) the conduct of traffic and the billing and collection of the Station's accounts receivable relating to advertising sales, and (c) the ultimate supervision and control of all employees and agents engaged in connection with the advertising sales of the Station.

4. ***Licensee's Retained Authority Concerning Station Carriage by MVPDs.*** Station Licensee shall retain the authority to make elections for must-carry or retransmission consent status, as permitted under the FCC Rules. Subject to the foregoing, Station Licensee agrees to take all commercially reasonable steps in a timely manner to assert, enforce, defend, and preserve the rights of the Station to carriage of such Station's signals by MVPDs that may exist under Applicable Law as necessary to ensure that such Station has valid and enforceable arrangements with all material MVPDs in the Market.

5. ***Station Licensee Control.*** Notwithstanding anything to the contrary in this Agreement, and without limiting the generality of Sections 3 and 4 above, the parties hereto acknowledge and agree that during the Term, Station Licensee shall maintain ultimate control and authority over the Station, including, specifically, control and authority over the Station's operations, finances, personnel and programming. Without limiting the generality of the foregoing, nothing contained in this Agreement shall be deemed to limit the control and authority of Station Licensee with respect to the selection, development and acquisition of any and all programming to be broadcast over the Station, as well as the payment therefor. To that end, Station Licensee shall (a) have exclusive authority for the negotiation, preparation, execution and implementation of any and all programming agreements for the Station, and (b) retain and hire or utilize whatever employees Station Licensee reasonably deems appropriate or necessary to fulfill those programming functions. Service Provider shall not represent, warrant or hold itself out as the licensee of the Station.

6. ***Certain Shared Services.*** Subject to Section 5 above and subject in all respects to Station Licensee's ultimate supervision and control, Service Provider agrees to provide to Station Licensee the following services to support the business and operation of the Station; *provided*, that such supervision and control shall not be deemed to permit Station Licensee to expand in any material respect the obligations of Service Provider or to require Service Provider to incur any material additional obligation or liability hereunder:

6.1 ***Support for Station Operations.***

(a) Commencing on the Effective Date, Service Provider shall perform monitoring and maintenance of the Station's technical equipment and facilities and, upon the request of Station Licensee, shall assist Station Licensee with the installation, repair,

maintenance and replacement of the Station's operating equipment and facilities and otherwise to assist in the performance of Station Licensee's obligations under Section 7 hereof; *provided, however*, Station Licensee shall be responsible for all capital and equipment replacement expenditures.

(b) Commencing on the Effective Date, Service Provider shall make available to Station Licensee, on an independent contractor basis, a staff engineer employed by Service Provider to assist the chief operator for the Station in fulfilling its duties as specified by the FCC Rules.

6.2 ***Website Services.*** Subject to Section 3.3 above, Service Provider shall maintain and operate any website associated with the Station, including the current website for the Station (and its corresponding domain name). Without limiting the generality of the foregoing, in connection with its technical support of the operation of such website, upon the request of Station Licensee, Service Provider shall provide reasonably customary enhancements, including applications and widgets, to enhance the user experience and increase the functionality of such Station website.

6.3 ***Back-Office and Related Administrative Support Services.*** Service Provider shall provide reasonable and customary administrative and back-office support services with respect to the business and operation of the Station, including payroll (but exclusive of traffic and the billing and collection of accounts receivable) in a manner consistent in all material respects with Service Provider's own practices.

6.4 ***[Reserved.]***

6.5 ***Access to Premises, Facilities and Equipment.*** Upon the Effective Date and during the Term, Service Provider shall make available to Station Licensee (a) such premises and facilities as may be reasonably necessary to (i) conduct broadcast operations from such location and establish the main studio of the Station at such location and (ii) for the employees of Station Licensee at the Station to conduct the applicable business and operations of the Station; *provided*, that all such access and use shall be pursuant to the terms and subject to the conditions set forth in *Schedule 6.5* attached hereto (the "***Lease Terms***") and (b) the use of, certain tangible personal property with respect to the Station, or, as applicable, other station equipment that may be located within the Market and owned by Service Provider, sufficient to ensure and enable Station Licensee to conduct broadcast operations of the Station consistent with, and pursuant to, the FCC Rules and the Communications Act.

6.6 ***[Reserved.]***

7. ***Station Licensee Responsibilities.*** Station Licensee, at its expense, shall be responsible for and perform the following obligations with respect to the business and operations of the Station during the Term, in accordance with and subject to the following provisions:

7.1 ***Station Operations.*** Station Licensee shall continue to maintain full control over the operations of the Station, including programming editorial policies, employees of Station Licensee and Station Licensee-controlled facilities. Station Licensee shall be responsible for, and shall comply in all material respects with all applicable provisions of the

Communications Act, the FCC Rules and all other Applicable Law with respect to the operation of the Station. Station Licensee shall file in a timely and complete manner all reports and applications required to be filed with the FCC or any other governmental body.

7.2 ***Insurance.*** Station Licensee shall maintain in effect policies of insurance insuring the assets and the business of the Station in accordance with good industry practices.

7.3 ***Maintenance of Facilities.*** Station Licensee shall use, operate, and maintain all of its assets in a commercially reasonable manner. If any loss, damage, impairment, confiscation or condemnation of any of such assets occurs, Station Licensee shall use commercially reasonable efforts and cooperate with Service Provider to repair, replace, or restore the assets to their prior condition as soon thereafter as possible, and Station Licensee shall use the proceeds of any claim under any insurance policy to repair, replace or restore any of the assets of the Station that are lost, damaged, impaired or destroyed.

7.4 ***Station Licensee Retained Responsibility for Expenses and Budgeting.*** Station Licensee shall be responsible for payment of all operating costs of the Station (excluding those costs to be borne by Service Provider under Section 10 below), including the cost of electricity, other utilities and rental or other payments with respect to any real property leased by Station Licensee, taxes, the Services Fee and the salaries, insurance, and other costs for all personnel employed by Station Licensee and, without limiting the foregoing, shall pay all other Station Expenses.

7.5 ***Music Rights Payments.*** Subject to the Obligations of Service Provider, Station Licensee shall pay when due all music rights payments (including, without limitation, music performance rights, synchronization rights, and master use rights), if any, in connection with the broadcast and/or transmission of all announcements and programming on the Station.

7.6 ***Certain Programming Costs.*** Station Licensee shall be solely responsible for all costs and expenditures associated with the procuring of programming to be aired on the Station. If, in any year, Station Licensee receives funds from the Network and any other program syndicator or supplier for promotion of the Network and other programming on other stations or media, Station Licensee shall use all such funds solely for their intended promotional or other similar purposes. Station Licensee shall cooperate with Service Provider in filing any necessary forms or reports required to obtain co-op reimbursement or other funds to which Station Licensee is entitled under this Section 7.6.

7.7 ***Preservation of FCC Licenses and Agreements; Other Compliance.***

(a) Station Licensee shall not take any action or unreasonably omit to take any action that would be reasonably likely to result in a (i) revocation, non-renewal or material impairment of the FCC Licenses, (ii) material adverse effect upon the Station's transmitters, antennae and other material assets included in the Station's transmission facilities or (iii) material breach or default under the terms of any of the agreements to which Station Licensee is a party on and as of the date hereof.

(b) Station Licensee shall ensure that such records and information required by the FCC Rules are placed in the public inspection files of the Station pertaining to

the sale of political programming and advertisements, in accordance with the provisions of Sections 73.1940 and 73.3526 of the FCC Rules, and to the sale of sponsored programming addressing political issues or controversial issues of public importance, in accordance with the provisions of Section 73.1212 of the FCC Rules.

7.8 **No Other Liabilities.** During the Term, Station Licensee shall not: (a) incur any liabilities or obligations, except those liabilities and obligations incurred in connection with the business of owning and operating the Station; (b) file a voluntary petition in bankruptcy, any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment of debt, liquidation or dissolution or similar relief under any present or future insolvency statute, law or regulation of any jurisdiction; petition or apply to any tribunal for any receiver, custodian or any trustee for substantially all of its properties or assets; file any answer to any such petition admitting or not contesting the material allegations of any such petition sufficient to support the grant or approval of any such order, judgment or decree; seek, approve or consent to any such proceeding or in the appointment of any trustee, receiver, sequestrator, custodian, liquidator or fiscal agent for it or substantially all of its properties or assets; or take any action for the purpose of effecting any of the foregoing; or be the subject of an order entered appointing any such trustee, receiver, custodian, liquidator or fiscal agent; or (c) amend or modify any provision of that certain Agreement by and among Station Licensee, Sander Media LLC and certain affiliates, dated as of June 12, 2013 (the “**Management Services Agreement**”).

8. **Access to Information.** Service Provider shall furnish to Station Licensee upon request any information that is reasonably necessary to enable Station Licensee to prepare any records or reports required by the FCC or other governmental entities. Nothing in this Section 8 shall entitle Station Licensee to review the internal corporate or financial records of Service Provider. Station Licensee shall keep confidential any information obtained from Service Provider in connection with this Agreement, except as and to the extent required by Applicable Law. If this Agreement is terminated, Station Licensee shall return to Service Provider all information obtained by it from Service Provider in connection with this Agreement. This Section 8 shall survive any termination or expiration of this Agreement for a period of three (3) years.

9. **Services Fee.** In consideration for the services to be provided to Station Licensee by Service Provider pursuant to this Agreement, Station Licensee shall pay to Service Provider with respect to each calendar month during the Term of this Agreement an amount equal to the Services Fee, as defined in, and calculated in accordance with, *Schedule A* hereto. The Services Fee shall be paid in the circumstances and subject to the further terms and conditions described in *Schedule A* hereto. The Services Fee shall be payable monthly, in arrears, as set forth in *Schedule A* hereto and shall be prorated on a daily basis for the first and last months during which this Agreement is in effect.

10. **Service Provider Costs.** Service Provider shall be solely responsible for the salaries, taxes and related costs for all personnel employed by Service Provider who are used by Service Provider in the performance of Service Provider’s obligations hereunder, including, without limitation, any publicity or promotional expenses incurred in performing its obligations hereunder.

11. ***Term of Agreement.***

11.1 ***Initial Term.*** This Agreement shall be deemed effective, and the initial term hereof shall commence, on and as of the Effective Date and such initial term (the “***Initial Term***”) shall continue until the eighth (8th) anniversary of the Effective Date, unless earlier terminated in accordance with Section 15 below.

11.2 ***Renewal Term.*** This Agreement shall be renewed automatically for successive two-year renewal terms (the Initial Term and any such renewal term hereinafter referred to as the “***Term***”) unless either party provides the other party with written notice of nonrenewal at least one-hundred-eighty (180) days prior to the expiration of the then-current Term.

12. ***Representations and Warranties of Station Licensee.*** Station Licensee represents and warrants to Service Provider as follows:

12.1 ***Authorization and Binding Obligation.*** The execution, delivery, and performance of this Agreement by Station Licensee have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and delivered by Station Licensee and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, insolvency, reorganization, or other similar laws of general application affecting the enforcement of creditors’ rights or by general principles of equity limiting the availability of equitable remedies.

12.2 ***Absence of Conflicting Agreements or Consents.*** The execution, delivery, and performance by Station Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizational documents of Station Licensee; (b) to the actual knowledge of Station Licensee or its respective Affiliates, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Station Licensee; (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, license, or permit to which Station Licensee is a party or by which it is bound as of the date of this Agreement; and (d) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station owned by Station Licensee.

13. ***Representations and Warranties of Service Provider.*** Service Provider represents and warrants to Station Licensee as follows:

13.1 ***Authorization and Binding Obligation.*** The execution, delivery, and performance of this Agreement by Service Provider have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and delivered by Service Provider and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium,

insolvency, reorganization or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

13.2 ***Absence of Conflicting Agreements and Required Consents.*** The execution, delivery, and performance by Service Provider of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizing documents of Service Provider; (b) to the actual knowledge of Service Provider or its Affiliates, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Service Provider; and (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license or permit to which Service Provider is a party or by which it is bound as of the date hereof.

#### 14. ***Termination.***

14.1 ***Mutual Agreement.*** This Agreement may be terminated at any time by mutual agreement of the parties hereto.

14.2 ***Option Closing.*** This Agreement shall terminate as of the time immediately following the Option Closing (as such term is defined in the Option Agreement) under the Option Agreement.

14.3 ***Termination by Station Licensee or Service Provider.*** This Agreement may be terminated by Station Licensee or Service Provider, by written notice to the other, upon the occurrence of any of the following events; *provided* that any such termination shall be effective as of the date thirty (30) days after such notice:

(a) this Agreement has been declared invalid under Applicable Law or illegal in whole or substantial part by an order or decree of an administrative agency or court of competent jurisdiction which is not subject to appeal or further administrative or judicial review, and the parties, acting in good faith, are unable to agree upon a modification of the Agreement so as to cause the Agreement to comply with Applicable Law; or

(b) there has been a change in the Communications Act or the FCC Rules that causes this Agreement in its entirety to be in violation thereof and the applicability of such change is not subject to appeal or further administrative review; and the parties, acting in good faith, are unable to agree upon a modification of the Agreement so as to cause the Agreement to comply with the Communications Act or the FCC Rules as so changed.

14.4 ***Termination by Service Provider.*** This Agreement may be terminated by Service Provider, by written notice to Station Licensee, upon the occurrence of any of the following events, *provided* that any such termination shall be effective as of the date thirty (30) days after such notice and *provided further* that if there is an exercise of the Option (as defined in the Option Agreement) under the Option Agreement prior to any such termination or during the 30-day period after such notice, the termination hereunder shall not be effective until the earlier



of (i) the time immediately following the Option Closing (as defined in the Option Agreement) or (ii) the termination of the Option Agreement:

(a) if Service Provider is not then in material breach and Station Licensee is in material breach under this Agreement (other than a breach by Station Licensee of any of its payment obligations hereunder) and Station Licensee has failed to cure such breach within thirty (30) days after receiving written notice of such breach from Service Provider, or if Service Provider is not then in material breach and Station Licensee breaches any of its payment obligations to Service Provider hereunder (other than any such payment obligation that is being contested in good faith) which breach shall not have been cured within fifteen (15) days after receiving written notice of such breach from Service Provider;

(b) if Station Licensee or any Affiliate of Station Licensee makes a general assignment for the benefit of creditors, files, or has filed against it, a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of Station Licensee or any Affiliate of Station Licensee under any federal or state insolvency law which, if filed against Station Licensee or any Affiliate of Station Licensee, has not been dismissed within thirty (30) days thereof; or

(c) upon and at any time following termination of the Option Agreement.

**14.5 Termination by Station Licensee.** This Agreement may be terminated by Station Licensee, by written notice to Service Provider, upon the occurrence of any of the following events, *provided* that any such termination shall be effective as of the date thirty (30) days after such notice and *provided further* that if there is an exercise of the Option under the Option Agreement prior to any such termination or during the 30-day period after such notice, the termination hereunder shall not be effective until the earlier of (i) the Option Closing or (ii) the termination of the Option Agreement:

(a) if Station Licensee is not then in material breach and Service Provider breaches any of its obligations under this Agreement which breach reasonably could be expected to result in the revocation or non-renewal of the Station's FCC Licenses and such breach shall not have been cured within thirty (30) days after receiving written notice of such breach from Station Licensee;

(b) if Service Provider or any of its Affiliates makes a general assignment for the benefit of creditors, files, or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of Service Provider or any of its Affiliates under any federal or state insolvency law which, if filed against Service Provider or any of its Affiliates, has not been dismissed within thirty (30) days thereof; or

(c) upon and at any time following termination of the Option Agreement.

**14.6 Certain Matters Upon Termination.**

(a) **Continuing Obligations.** No expiration or termination of this Agreement shall terminate the obligations of any party hereto to indemnify the other party for Third Party Claims under Section 16 of this Agreement, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination.

(b) **Cooperation.** Notwithstanding anything to the contrary contained in this Agreement, if this Agreement is terminated pursuant to Section 14.2 following the Option Closing, the parties shall cooperate with each other as may be reasonably requested to effect an allocation of the revenues and expenses for any partial calendar month resulting from such termination or to effect any working capital payment required in connection with such allocation or a related transfer of control pursuant to the Option Agreement.

## 15. **Indemnification.**

15.1 **By Service Provider.** Service Provider shall indemnify, defend and hold harmless Station Licensee and any employee, director, member, manager, officer, stockholder, or agent of Station Licensee, or any of its Affiliates, successors or assignees (exclusive of Service Provider and its Affiliates and agents) (each, a "**Station Indemnified Party**"), from and against, and reimburse and pay to such Station Indemnified Party as incurred, any loss, liability, damage or expense (including reasonable legal expenses and costs and any cost or expense arising from or incurred in connection with any action, suit, proceeding, claim or judgment) relating to any matter described in this Section 15.1 or in enforcing the indemnity provided by this Section 15 (any such amount being a "**Loss**"), which any such Station Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(a) any act or omission, event or occurrence that was or shall be caused by Service Provider, its agents or Affiliates (including any predecessor in interest thereto) relating to the business of Service Provider or the Station; or

(b) any omission by Service Provider or breach by Service Provider (including any predecessor in interest to Service Provider) of any of its obligations hereunder.

The obligations of Service Provider under this Section 15.1 shall survive any termination or expiration of this Agreement. Notwithstanding anything to the contrary contained herein, in no event shall Service Provider be liable under this Section 15.1 for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with Applicable Law.

15.2 **By Station Licensee.** Except with respect to or to the extent of any Loss subject to indemnification pursuant to the terms and subject to the conditions of Section 15.1, Station Licensee shall indemnify, defend and hold harmless Service Provider and any employee, director, member, manager, officer, stockholder or agent of Service Provider, or any of its Affiliates, successors or assignees (each, a "**Service Provider Indemnified Party**") from and against, and reimburse and pay to such Service Provider Indemnified Party, as incurred, any Loss, which any such Service Provider Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(a) any libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights and proprietary rights resulting from or relating to all material broadcast on the Station following the Effective Date and with respect to which Station Licensee had notice or otherwise should have been reasonably aware; and

(b) the actions or omissions of Station Licensee's employees and representatives in performing their duties under this Agreement or in acting outside the scope of their employment, which actions or omissions constitute willful misconduct or gross negligence.

15.3 The indemnification obligations of Station Licensee hereunder, in the aggregate, shall in no event exceed a maximum aggregate liability equal to the aggregate amount of the difference between (a) the total aggregate amount of Station Revenues, *minus* (b) all Services Fees paid to Service Provider hereunder. The payment of any indemnification obligation by Station Licensee under this Agreement shall in no event be due until and solely in the event of an Option Closing (as defined in the Option Agreement) under the Option Agreement and in connection with such Option Closing the amount of indemnification shall be applied as a credit against the payment obligations of the Option Holder (as defined in the Option Agreement) thereunder.

#### 15.4 *Procedure.*

(a) 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 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.

(b) 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 (i) so requested by the Indemnifying Party to participate or (ii) 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.

(c) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The 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.

(d) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the 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.

(e) 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 15.4. Any claim under this Section 15.4 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 twenty (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 15.

(f) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 15.4 shall not affect the rights or obligations of either party hereunder, except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(g) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Losses (in which case such proceeds shall reduce such Losses). To the extent any Losses 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 Losses 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.

15.5 ***Services Unique.*** The parties hereby agree that the services to be provided hereunder are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, to the extent permitted by the Communications Act and the FCC Rules then in effect, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

15.6 ***Exclusivity.*** After the Effective Date, the indemnification provided by this Section 15, shall be the sole and exclusive remedy of either of Service Provider and Station Licensee against the other party hereto for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Agreement; *provided*, that this Section 15.6 shall not prohibit (a) injunctive relief (including specific performance) pursuant to Section 15.5 of this Agreement if available under Applicable Law or (b) any other remedy available at law or in equity for any fraud committed in connection with this Agreement.

## 16. ***Miscellaneous.***

16.1 ***No Partnership or Joint Venture.*** This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership or a joint venture between the parties. Except as specifically provided in this Agreement, or as otherwise agreed to in writing by the parties, no party shall be authorized to act as an agent of or otherwise to represent any other party hereto.

16.2 ***Confidentiality.*** Each party hereto agrees that it will not at any time during or after the termination of this Agreement disclose to others or use, except as duly

authorized in connection with the conduct of the business or the rendering of services hereunder, any secret or confidential information of the other parties hereto. 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.

**16.3 Assignment; Benefit; Binding Effect; Use of Agents.**

(a) Neither party may assign this Agreement or delegate its obligations under this Agreement without the prior written consent of the other party. Notwithstanding the foregoing or any other provision to the contrary contained herein, Service Provider may assign its rights and obligations under this Agreement, without the consent of Station Licensee but upon written notice to Station Licensee, to (A) any Affiliate of Service Provider or (B) any Person in connection with Service Provider's exercise of the Option (as defined in the Option Agreement), and subject to the consummation of the transactions contemplated thereby, (each a "***Service Provider Assignee***"); *provided, however*, that Service Provider, as assignor, shall guarantee, and remain responsible for, the full and complete performance of its Service Provider Assignee and any subsequent assignee of Service Provider Assignee. Notwithstanding the first sentence of this Section 19(a) or any other provision to the contrary contained herein, Station Licensee shall assign this Agreement and all of its rights and obligations hereunder to any Person to which the FCC Licenses are transferred or assigned, *provided* that as a condition to such transfer or assignment (A) the Option Agreement and all of Station Licensee's rights and obligations thereunder are also assigned to such Person, which assignment shall be effective simultaneously with the assignment of this Agreement, (B) such Person is legally and financially qualified to be the holder of the FCC Licenses and (C) such Person executes and delivers to the Service Provider an instrument, in form and substance reasonably acceptable to Service Provider, accepting such assignments of this Agreement, the Option Agreement and the rights and obligations of Station Licensee hereunder and thereunder and agreeing to pay, discharge and perform the obligations and liabilities of Station Licensee hereunder and thereunder in accordance with the terms hereof and thereof and such other documents and instruments as Service Provider may reasonably request. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. Any permitted assignee of a party hereto shall be a party to this Agreement for all purposes hereof.

(b) Notwithstanding anything to the contrary contained herein, Service Provider shall have the right to designate agents or otherwise subcontract with any third party to perform all or any portion of its obligations under the Agreement; *provided, however*, that Service Provider shall provide prior written notice to Station Licensee of any designation or subcontract pursuant to the foregoing and, *provided further*, that Station Licensee shall not be obligated to pay any amounts owing to Service Provider under this Agreement to any such third party and shall continue to pay all such amounts directly to Service Provider and, *provided further*, that Service Provider shall not be relieved of any of its obligations hereunder as a result of entering into any such arrangements with third parties.

**16.4 Force Majeure.** Any delay or interruption in the broadcast operation of the Station, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action, riots, natural disasters or any other cause not reasonably within

the control of a party shall not constitute a breach of this Agreement, and no party shall be liable to any other party for any liability or obligation with respect thereto.

16.5 ***Press Release.*** No party hereto shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby without the prior written consent of the other party hereto; *provided, however*, that nothing contained herein shall prevent any party from promptly making all filings with governmental authorities as may, in its judgment, be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

16.6 ***Unenforceability.*** If one or more provisions of this Agreement or the application thereof to any Person or circumstances, shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by Applicable Law, except that, if such invalidity or unenforceability should change the basic economic positions of the parties hereto, they shall negotiate in good faith such changes in other terms as shall be practicable in order to restore them to their prior positions. In the event that the FCC alters or modifies its rules or policies in a fashion which would raise substantial and material questions as to the validity of any provision of this Agreement the parties shall negotiate in good faith to revise any such provision of this Agreement as applicable, in an effort to comply with all applicable FCC Rules while attempting to preserve the intent of the parties as embodied in the provisions of this Agreement. The parties hereto agree that, upon the request of either of them, they will join in requesting the view of the staff of the FCC, to the extent necessary, with respect to the revision of any provision of this Agreement in accordance with the foregoing.

16.7 ***Notices.*** All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (d) addressed as set forth on *Schedule 16.7*.

16.8 ***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.

16.9 ***Other Definitional Provisions.*** The terms “hereof,” “herein” and “hereunder” and terms of similar import will refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references contained in this Agreement are

references to Sections in this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. The term “or” has the inclusive meaning represented by the phrase “and/or.” Whenever the term “including” is used in this Agreement (whether or not that term is followed by the phrase “but not limited to” or “without limitation” or words of similar effect) in connection with a listing of items within a particular classification, that listing will be interpreted to be illustrative only and will not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

16.10 ***Further Assurances.*** The parties hereto shall take any actions and execute any other documents that may be necessary or desirable to the implementation and consummation of this Agreement.

16.11 ***Counterparts and Facsimile Signatures.*** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. This Agreement shall be legally binding and effective upon delivery of facsimile signatures.

16.12 ***Entire Agreement; Amendment; Waiver.*** This Agreement and any attachments and Schedules hereto (which are hereby incorporated by reference and made a part hereof), and the other Transaction Documents, when executed and delivered by the parties thereto, collectively represent the entire understanding and agreement among the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements with respect to the subject matter hereof and thereof. Notwithstanding anything to the contrary contained herein or in any of the other Transaction Documents and, without limiting any of the other rights or remedies of the parties hereunder or under any of the Transaction Documents, the parties acknowledge and agree that Service Provider may offset any amount owed by Station Licensee to Service Provider pursuant to any of the Transaction Documents as a credit against any amount owed by Service Provider to Station Licensee pursuant to any other Transaction Documents. No term or provision hereof may be changed, modified, amended, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by the parties hereto. No waiver of any of the provisions or conditions of this Agreement or of any of the rights, powers or privileges of a party shall be effective or binding unless in writing and signed by the party claimed to have given or consented to such waiver.

[SIGNATURE PAGE FOLLOWS]



IN WITNESS WHEREOF the parties have executed this Shared Services Agreement as of the date first written above.

**STATION LICENSEE:**  
**[SANDER ENTITY]**

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

**SERVICE PROVIDER:**  
**[GANNETT ENTITY]**

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

Name:  
Title:

## SCHEDULE A SERVICES FEES

For each calendar month during the Term, Station Licensee shall pay, or shall cause to be paid, to Service Provider the “**Services Fee**,” which shall equal the sum of the Base SSA Amount and, solely if approved pursuant to Section 2 below, a performance bonus (the “**Performance Bonus**”), if any. The Performance Bonus, if any, shall be determined as set forth in this *Schedule A*.

1. **Base SSA Amount.** The “**Base SSA Amount**” shall be an amount equal to [•] Dollars (\$[•]).<sup>2</sup>

2. **Determination of Performance Bonus by Station Licensee.** To the degree that Station Licensee determines in good faith that the performance of Service Provider has contributed to an increase in the performance of the Station, Service Provider shall be eligible to receive a Performance Bonus with respect to the applicable month, which, if any, shall be in an amount determined by Station Licensee to reflect the value of the services provided by Service Provider relative to the performance of the Station for such month, which determination shall be in the sole and absolute discretion of Station Licensee.

3. **Licensee Responsibility for Station Expenses and Payments**

3.1 In the event that due to the performance of the Station, the resulting Station Revenues with respect to any given month during the Term are insufficient to pay all or any portion of the Designated Expenses or Other Expenses, Service Provider shall advance to Station Licensee the differential of such amounts (a “**Shortfall Amount**”). Any expenses incurred by Station Licensee that do not constitute Designated Expenses or Other Expenses (including obligations pursuant to a credit or loan facility that is not designated as an Acquisition Financing Arrangement as provided below) shall remain solely the obligation of Station Licensee. In the event that Station Revenues, after the payment of Designated Expenses or Other Expenses, are insufficient to pay all or any portion of the Services Fee, Station Licensee shall pay to Service Provider an amount equal to the portion of such Services Fee corresponding to available Station Revenues (a “**Partial Payment**”); *provided*, that in the event of a Shortfall Amount payment or a Partial Payment, then an amount equal to the sum of such Shortfall Amount and, as applicable, the unpaid portion of the Services Fee (collectively, the “**Carry-Over Amount**”) shall be applied to the subsequent month’s Services Fee until Station Revenues are sufficient to pay such adjusted Services Fee (including any Carry-Over Amounts), subject to the application of the provisions of this Section 3.1 to such subsequent month.

3.2 For purposes of this Agreement:

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<sup>2</sup> NTD: The Base SSA Amount for each of the SSAs shall be as follows:

Phoenix:	\$666,666
St. Louis:	\$458,333

(a) **“Designated Expenses”** shall mean the sum of the actual out-of-pocket payments and expenses of Station Licensee for the following: (i) utilities associated with the Station’s transmitting facilities together with all other expenses, including rental payments, payable by Station Licensee under any lease for real property on which the Station is located or used exclusively for the operation of the Station, (ii) salaries, wages and commissions and all associated payroll taxes and benefits, as applicable, for (A) up to two of the Station’s full-time employees, one of which shall be the station manager, and (B) a general sales manager and sales force for the Station reasonable and customary in size for the Station, all at reasonable and customary rates for such employees, (iii) hourly rates for accounting and human resource services, all at reasonable and customary rates for such services, (iv) expenses related to maintenance and filings with respect to the FCC Licenses in respect of the Station and other expenses of compliance with FCC Rules and other Applicable Law in connection with the operation of the Station, including reasonable and customary attorneys’ fees of Station Licensee incurred in connection therewith, (v) property taxes on any real property, personal property and leased property on which the Station is located or used exclusively for the operation of the Station, (vi) with respect to the credit facility, agreement or other financing arrangement entered into by Station Licensee with respect to the payment of obligations of Station Licensee at the Closing under the Purchase Agreement, pursuant to which Gannett has agreed in writing to guarantee the indebtedness of Station Licensee thereunder (an **“Acquisition Financing Arrangement”**), the payments due by Station Licensee pursuant to such Acquisition Financing Arrangement (and any tax payments, if any, relating to such Acquisition Financing Arrangement), other than those payments due pursuant to such Acquisition Financing Agreement to the extent arising out of the failure of Station Licensee to make a timely payment thereunder for which Station Licensee had received timely payment hereunder or otherwise to the extent arising out of actions or omissions of Station Licensee in breach of such Acquisition Financing Arrangement (*provided*, that any payments under this clause shall be made directly to Station Licensee), (vii) premiums and other out-of-pocket costs and expenses relating to any insurance that Station Licensee is required to maintain pursuant to the terms of the Option Agreement, (viii) all music rights payments required to be paid by Station Licensee (including music performance rights, synchronization rights, and master use rights), in connection with the broadcast and/or transmission of all announcements and programming on the Station, including advertisements, (ix) all payments for the acquisition or licensing of programming during the Term, including television network payments, and (x) payments or distributions pursuant to the Management Services Agreement, as in effect as of June 12, 2013.

(b) **“Other Expenses”** shall mean expenses that are reasonably necessary or customary in the operation and maintenance of the Station, *provided* that Station Licensee shall have no obligation under this Agreement to incur any Other Expenses in the absence of such consent and agreement to reimburse under this subparagraph (b).

3.3 **“Station Expenses”** shall mean, collectively, Designated Expenses and Other Expenses.

3.4 **“Station Revenues”** shall mean, collectively, (a) all gross revenue received by Station Licensee for all advertisements sold by the Station, less agency, buying service or other sales commissions paid to or withheld by an advertiser, agency or service, as the case may be, (b) any network compensation or other similar payments made to Station Licensee

or otherwise paid in respect of the Station or its programming, and (c) any retransmission fees or other similar payments made to Station Licensee or otherwise paid in respect of the Station or its programming or other payments made to Station Licensee pursuant to any retransmission consent agreements.

4. ***Administration and Payment of Services Fee.*** The Services Fee shall be due and payable on the fifteenth (15th) day of each calendar month. The Services Fee shall be prorated for any partial calendar month during the Term.

## **SCHEDULE 6.5 LEASE TERMS**

Pursuant to the terms and subject to the conditions of this Agreement, Service Provider shall provide Station Licensee with office space, equipment, furnishings and studio and business facilities (the “***Service Provider Premises***”) as follows:

1. During the Term, Service Provider shall provide to Station Licensee’s employees and agents, at no additional cost, the non-exclusive right, in common with Service Provider, to access and use of space and facilities in the applicable Service Provider Premises, including (a) accommodation of Station Licensee’s studio transmitter links from time to time, and (b) with respect to any Station for which the FCC has not granted Station Licensee a waiver of 47 C.F.R. § 73.1125, (i) furnishings and office equipment for a main studio for each such Station and (ii) sufficient space to permit Station Licensee to maintain and make available to the public the public inspection file for each such Station and otherwise satisfy the applicable “main studio” requirements under the FCC Rules at such locations in or near the Service Provider Premises, the grant of such rights as may be mutually acceptable to Service Provider and Station Licensee and in accordance with the FCC Rules, so long as the provision of such space and the use of such equipment do not unreasonably interfere with the conduct of Service Provider’s business or operations. Station Licensee acknowledges and agrees that (y) it inspected and accepts the Service Provider Premises in their “as is” condition, without any representations or warranties by Service Provider, or anyone acting or purporting to act on behalf of Service Provider, as to the present or future condition of such Service Provider Premises, except as specifically set forth in this Agreement; and (z) Service Provider shall have no obligation to perform any work therein, except as specifically set forth in this Agreement.

2. During the Term, Service Provider shall give Station Licensee and its agents a nonexclusive and unrestricted right of access, in common with Service Provider, to the space provided for Station Licensee at the Service Provider Premises under *Section 1* of this Schedule 6.6 at all times, subject only to Service Provider’s reasonable security procedures and rules applicable to its own employees, as the Station Licensee reasonably requires for the conduct of the business of the Station and to fulfill its obligations as an FCC licensee. Station Licensee shall not use the Service Provider Premises for any other purposes without the prior written consent of Service Provider. Station Licensee shall use and occupy the Service Provider Premises in compliance with all Applicable Laws, ordinances, requirements and regulations of any applicable governmental authority and in accordance with all superior leases, mortgages, deeds of trust and encumbrances of record. The rights granted under this section shall include the incidental benefit and reasonable right of use of utilities (heat, water, electricity) provided for purposes of Service Provider’s own operations. In addition, Service Provider shall provide separate and, to the extent reasonably practicable, lockable office facilities for use by the employees of Station Licensee and, subject to Service Provider’s reasonable prior approval, shall permit Station Licensee to install appropriate signs on the inside and outside of the Service Provider Premises (consistent with applicable local requirements governing such signage, if any, and the overall appearance of the Service Provider Premises) identifying Station Licensee as the licensee of the Station. No alterations or additions may be made to the Service Provider Premises without the prior written consent of Service Provider, in its sole and absolute discretion, except as otherwise permitted under the Agreement.

3. Station Licensee shall be given a transition period (“*Transition-Tail Period*”) of one hundred eight (180) days following the expiration or notice of termination of this Agreement in which to relocate the operations of the main studio(s) of the Station and shall surrender the Service Provider Premises at such time in substantially the same condition as Station Licensee received such Service Provider Premises upon commencement of the Initial Term (including removing all signage installed by Station Licensee), subject only to reasonable wear and tear. All costs incurred by Station Licensee with respect to relocating the operations of the main studio(s) of the Station following such termination shall be paid by Station Licensee. During such Transition-Tail Period, Station Licensee shall have access to the Service Provider Premises in the same manner as during the Term. Such Transition-Tail Period may be lengthened upon such terms and conditions as may be mutually agreeable to the parties in writing. If Station Licensee holds over beyond the expiration of the Transition-Tail Period, then, in addition to all other rights and remedies of Service Provider provided by Applicable Law or by the terms of this Agreement, Station Licensee shall pay to Service Provider an amount equal to the Services Fee last payable by Station Licensee under this Agreement prior to termination of this Agreement, pro rated as a monthly amount, for each month or partial month of such holdover; provided, that, in such event, at any time, Service Provider, without waiving any other remedy that it may have, may use legal process to enter upon, take possession of the Service Provider Premises and expel or remove Station Licensee and any other person in occupancy thereof from the Service Provider Premises. Nothing contained in this Agreement shall be deemed a consent by Service Provider to the holding over by Station Licensee, nor a waiver of any other remedy which may be available to Service Provider. The obligations of Station Licensee under this *Section 3* shall survive the termination of this Agreement.

4. Station Licensee shall not assign its rights under this *Schedule 6.5* or sublet or permit the occupancy or use of Service Provider Premises by any Person or entity other than Station Licensee, except as otherwise permitted under this Agreement.

5. Without the necessity of any additional document being executed by Station Licensee for the purpose of effecting a subordination, this Agreement shall be subject and subordinate at all times to ground or underlying leases and to the lien of any mortgages or deeds of trust now or hereafter placed on, against or affecting the Service Provider Premises, Station Licensee’s interest or estate in the Service Provider Premises, or any ground or underlying lease; provided, that if the lessor, mortgagee, trustee, or holder of any such mortgage or deed of trust elects to have Station Licensee’s interest in this Agreement be superior to any such instrument, then, by notice to Station Licensee, this Agreement shall be deemed superior, whether this Agreement was executed before or after said instrument. Notwithstanding the foregoing, Station Licensee covenants and agrees to execute and deliver within ten (10) days of delivery of Service Provider’s request such further instruments evidencing such subordination or superiority of this Agreement as may be required by Service Provider. Within ten (10) days following delivery of any written request which Service Provider may make from time to time, Station Licensee shall execute and deliver to Service Provider or mortgagee or prospective mortgagee a sworn statement certifying such matters as may be requested by Service Provider.

6. With respect to any Service Provider Premises that are subject to a lease agreement with a third party, Station Licensee’s rights under this *Schedule 6.5* shall automatically terminate upon the termination for any reason (including by reason of casualty or

condemnation) of any superior lease for the Service Provider Premises. Station Licensee shall occupy the Service Provider Premises in compliance with any superior lease. Station Licensee shall have no rights under the superior lease for the Service Provider Premises, including any assignment or subletting, extension, renewal, first offer or purchase rights. Service Provider shall not be responsible for the failure of lessor or other counterparty to the superior lease for the Service Provider Premises to provide any services or utilities or access to the Service Provider Premises; provided, that to the extent of any failure of services, utilities or access, Service Provider shall use reasonable efforts to obtain such services, utilities or access from its landlord.

**SCHEDULE 16.7**  
**NOTICES**

If to Station Licensee:

Sander Holdings Co. LLC  
10751 E. Cottontail Lane  
Scottsdale, Arizona 85255  
Phone: 480-563-8872  
Fax: 480-699-8752

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

Pillsbury Winthrop Shaw Pittman LLP  
2300 N Street, N.W.  
Washington, DC 20037-1122  
Attention: Clifford M. Harrington  
Phone: 202-663-8525  
Fax: 202-663-8007

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

If to Service Provider:

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 15th Street, N.W.  
Washington, DC 20005  
Attention: Eric Dodson Greenberg, Esq.  
Phone: 202-551-1343  
Fax: 202-551-0343



**Exhibit F**  
**Form of Parent Option Agreement**

**EXHIBIT F**  
**[FORM OF]**  
**PARENT OPTION AGREEMENT**

THIS OPTION AGREEMENT (this “**Agreement**”) is made and entered into as of [●], by and among [GANNETT ENTITY], a [●] [●] (together with its successors and permitted assigns, “**Option Holder**”), Sander Media LLC (“**Grantor**”) and Sander Holdings Co. LLC, a wholly-owned subsidiary of Grantor (the “**Company**”).

**W I T N E S S E T H**

**WHEREAS**, as of the date hereof, with the prior consent of the Federal Communications Commission (“**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 Gannett Co., Inc., the Company and those certain Covered Subsidiaries set forth below have acquired, pursuant to that certain Asset Purchase Agreement dated as of June 12, 2013 (the “**Purchase Agreement**”), certain assets (the “**Station Assets**”) with respect to the broadcast television stations set forth below (each a “**Covered Station**” and collectively, the “**Covered Stations**”):

WHAS-TV, Louisville, KY (Fac. ID 32327)  
KTVK(TV), Phoenix, AZ (Fac. ID 40993)  
KASW(TV), Phoenix, AZ (Fac. ID 7143)  
K11LC-D Prescott, AZ (Fac. ID 2756)  
K14NA-D, Globe & Miami, AZ (Fac. ID 13087)  
K15HY, Williams-Ashfork, AZ (Fac. ID 5323)  
K25MG-D, Flagstaff, AZ (Fac. ID 2753)  
K34EE-D, Prescott-Cottonwood, AZ (Fac. ID 56142)  
K38AI-D, Cottonwood, AZ (Fac. ID 2754)  
K41JE, Williams-Ashfork, AZ (Fac. ID 126160)  
KGW(TV), Portland, OR (Fac. ID 34874)

KGWZ-LD, Portland, OR (Fac. ID 30810)  
K17HA-D, Astoria, OR (Fac. ID 130923)  
K25KS-D, The Dalles, OR (Fac. ID 34844)  
K28MJ-D, Tillamook, OR (Fac. ID 189303)  
K29AZ-D, Newport, OR (Fac. ID 34865)  
K35HU-D, Grays River, etc., OR (Fac. ID 34870)  
K40EG, Tillamook, OR (Fac. ID 34881)  
K46AK-D, Prineville/Redmond, OR (Fac. ID 34864)  
K48MP-D, Corvallis/Albany, OR (Fac. ID 34851)  
KMOV(TV), St. Louis, MO (Fac. ID 70034)  
KMSB(TV), Tucson, AZ (Fac. ID 44052)

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

**WHEREAS**, the Company, in turn, owns 100% of the limited liability company membership interests in each of (i) Sander Operating Co. I LLC (d/b/a WHAS Television) (“**WHAS Television**”), Sander Operating Co. II LLC (d/b/a KTVK Television) (“**KTVK Television**”), Sander Operating Co. III LLC (d/b/a KGW Television) (“**KGW Television**”), Sander Operating Co. IV LLC (d/b/a KMOV Television) (“**KMOV Television**”) and Sander Operating Co. V LLC (d/b/a KMSB Television) (“**KMSB Television**” and, together with WHAS Television, KTVK Television, KGW Television and KMOV Television, each a “**Covered Subsidiary**” and collectively, the “**Covered Subsidiaries**”); and

**WHEREAS**, Grantor desires to grant Option Holder, and Option Holder desires to acquire from Grantor an option to purchase the Membership Interests in the Company.

**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, 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**”), (the consummation of which purchase, following exercise in accordance with the terms and conditions hereof, is hereinafter referred to as the “**Option Closing**”).

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 Sixty Thousand Dollars (\$60,000), 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 a Covered Sharing Agreement shall be renewed and, thereafter, the Option Period shall continue until all Covered Sharing Agreements have been terminated in accordance with their respective terms. For purposes hereof, “**Covered Sharing Agreement**” shall mean any Joint Sales Agreement, Shared Services Agreement or Transition Services Agreement, dated as of the date hereof and as may be hereafter amended or extended, by Company or any of its affiliates or subsidiaries with respect to any of the Covered Stations. 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. Upon exercise of the Option, Option Holder, Grantor 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, 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) *Option Closing.* Upon the exercise of the Option, 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 any Covered Sharing Agreement, or (ii) constitutes a breach by Seller (as such term is defined in the Purchase Agreement) 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 as of the date hereof, 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 the credit facility, agreement or other financing arrangement entered into by the Company with respect to the payment of obligations of the Company at the Closing under the Purchase Agreement, pursuant to which Option Holder has agreed in writing to guarantee the indebtedness of the Company thereunder (an “**Acquisition Financing Arrangement**”).

(b) Each of Grantor and the Company has the organizational 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) The Company and each Covered Subsidiary 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.

(e) 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 or pursuant to a Station Option Agreement to which Option Holder or an affiliate thereof is the option holder, 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.

(f) As of the date hereof and the Option Closing, the Company owns 100% of the limited liability company membership interests in each Covered Subsidiary, and the Company has good and valid title to such membership interests free and clear of all liens.

(g) The Company holds no 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 that is not a Covered Subsidiary.

(h) Except for the limited liability company membership interests held by the Company and except as provided in a Station Option Agreement to which Option Holder or an affiliate thereof is the option holder, there are no issued, reserved for issuance or outstanding (A) equity interests in, other voting securities of or other ownership interests in any Covered Subsidiary, (B) securities of any Covered Subsidiary convertible into or exchangeable for equity interests in, other voting securities of or other ownership interests in such Covered Subsidiary, (C) warrants, calls, options or other rights to acquire from such Covered Subsidiary, or other obligations of such Covered Subsidiary 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 a Covered Subsidiary.

(i) As of the Option Closing, with respect to each Covered Station owned by the Company or any of its subsidiaries as of the Option Closing:

(i) The Company has good and marketable title to the Station Assets (as defined in each Station Option Agreement) 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; (“**Station Option Agreement**” shall mean, individually and collectively, those certain Option Agreements by and between Option Holder and those certain subsidiaries of the Company in connection with each of the Covered Stations, each dated as of the date hereof);

(ii) A wholly owned subsidiary of the Company is the holder of the FCC Licenses (as defined in each Station Option Agreement) and such FCC Licenses are valid and in full force and effect;

(iii) 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(i) 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 any Covered Station 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 a Covered Station (except those affecting the broadcasting industry generally).

(j) 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.

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

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

(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, Grantor and the Company, jointly and severally, covenant to:

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

(b) Not make any acquisition (including by merger, consolidation or acquisition of stock) of the capital stock, equity or securities of any kind or a material portion of the assets of any third party, except with the consent of Option Holder; and

(c) 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 Sections 6(e) and 6(h) 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).

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 Agreements, such obligation or covenant shall be subject to the terms and conditions of such Covered Sharing Agreements.

9. ***Grantor and the Company Option 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, 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.*** 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 Option 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.* 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) *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:

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

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

(iii) 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;

(iv) 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



(v) 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.

(b) *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:

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

(ii) the Cash Purchase Price; and

(iii) 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.

## 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 the 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, director, member, manager, officer, 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 (defined below) arising out of or resulting from 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.

(ii) From and after the Option Closing, Option Holder shall defend, indemnify and hold harmless Grantor, and any employee, director, member, manager, officer, 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 business or operations of the Covered Stations 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, director, member, manager, officer,

stockholder or agent of Grantor, from and against any and all Damages incurred by such Indemnified Party arising out of or resulting from (A) the business or operations of the Covered Stations during the period prior to the Effective Date, (B) 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 Covered Stations, (C) the operation of the Covered Stations 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, the Company's or the Covered Subsidiaries' employees and representatives in performing their duties, or in acting outside the scope of their employment, with respect to the operation of the Covered Stations during the Option Period and any extensions thereof, which actions or omissions constitute willful misconduct or gross negligence, and (D) the negotiation and the document preparation and execution relating to the Purchase Agreement, this Agreement, the Covered Sharing Agreements, and any amendments thereto; *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, the Company or the Covered Subsidiaries 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 A*, 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, but, except as provided for herein, neither this Agreement nor any of the rights, interests

or obligations hereunder shall be assigned by Grantor or the Company without the prior written consent of Option Holder. 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.

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, the parties shall file one or more applications (the "***Consent Application***") with the FCC requesting the FCC's written consent to the transfer of control of the Company from Grantor to Option Holder, 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 transfer of the Subject Interests 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.*** 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.

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 HOLDINGS Co. LLC**

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

**GRANTOR:**  
**SANDER MEDIA LLC**

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

**OPTION HOLDER:**  
**[GANNETT ENTITY]**

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

## **Exhibit A - 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  
10751 E. Cottontail Lane  
Scottsdale, Arizona 85255  
Phone: 480-563-8872  
Fax: 480-699-8752

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

Pillsbury Winthrop Shaw Pittman LLP  
2300 N Street, N.W.  
Washington, DC 20037-1122  
Attention: Clifford M. Harrington  
Phone: 202-663-8525  
Fax: 202-663-8007

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 equal to the sum of (A) the Base Value and (B) the Escalation Amount.

2. For purposes of this Agreement, the “**Base Value**” shall be an amount equal to the aggregate amount payable by the Company at the closing of the transactions under the Purchase Agreement; *provided, however*, that in the event that the Company shall have elected to borrow the purchase price with respect to its payment obligations under the Purchase Agreement pursuant to an Acquisition Financing Arrangement, the “Base Value” shall equal the Outstanding Debt.

3. For purposes of this Agreement, the “**Outstanding Debt**” shall be an amount equal to the total outstanding balance of debt as of the date of the Option Closing, if any, for borrowed money of the Company pursuant to an Acquisition Financing Arrangement.

4. For purposes of this Agreement, the “**Escalation Amount**” shall be an amount equal to the greater of (A) the Fixed Appreciation Amount or (B) the Net Broadcast Cash Flow Amount. For purposes hereof, the “**Fixed Appreciation Amount**” equals the product of (i) the number of calendar years (including fractions of years) during the Option Period prior to the exercise of the Option, times (ii) an amount equal to \$[X]; “**Net Broadcast Cash Flow Amount**” means the product of (x) the number of calendar years (including fractions of years) during the Option Period prior to the exercise of the Option, *times* (y) the average net broadcast cash flow (as determined by Option Holder) for the preceding 12-month period (or if the Option is exercised prior to the first anniversary of the Effective Date, the average net broadcast cash flow for the period following the Effective Date), with respect to the Covered Stations (for so long as the Company’s affiliates shall have been the licensee of such Covered Stations); *provided, however*, that the Net Broadcast Cash Flow Amount shall not exceed \$[Y]. Solely with respect to that portion of the Cash Purchase Price constituting the Escalation Amount, the parties shall apply as a credit against such amount an amount equal to \$[Z] multiplied by the number of months (including fractions of months) between the Effective Date and the date of the Option Closing. In no event shall the Escalation Amount result in an internal rate of return that is less than zero.<sup>1</sup>

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<sup>1</sup> NTD: X, Y and Z are to equal the sum of the corresponding values in the Station Option Agreements.

**Exhibit G-1**  
**Station Option Agreement Parties**

**EXHIBIT G-1**  
**STATION OPTION PARTIES**

	<b>Grantor</b>	<b>Company</b>	<b>Station</b>
<b>Louisville Option</b>	Sander Holdings Co. LLC	Sander Operating Co. I LLC (d/b/a WHAS Television)	WHAS-TV, Louisville, KY (Fac. ID 32327)
<b>Phoenix Option</b>	Sander Holdings Co. LLC	Sander Operating Co. II LLC (d/b/a KTVK Television)	KTVK(TV), Phoenix, AZ (Fac. ID 40993) KASW(TV), Phoenix, AZ (Fac. ID 7143) K11LC-D Prescott, AZ (Fac. ID 2756) K14NA-D, Globe & Miami, AZ (Fac. ID 13087) K15HY, Williams-Ashfork, AZ (Fac. ID 5323) K25MG-D, Flagstaff, AZ (Fac. ID 2753) K34EE-D, Prescott-Cottonwood, AZ (Fac. ID 56142) K38AI-D, Cottonwood, AZ (Fac. ID 2754) K41JE, Williams-Ashfork, AZ (Fac. ID 126160)
<b>Portland Option</b>	Sander Holdings Co. LLC	Sander Operating Co. III LLC (d/b/a KGW Television)	KGW(TV), Portland, OR (Fac. ID 34874) KGWZ-LD, Portland, OR (Fac. ID 30810) K17HA-D, Astoria, OR (Fac. ID 130923) K25KS-D, The Dalles, OR (Fac. ID 34844) K28MJ-D, Tillamook, OR (Fac. ID 189303) K29AZ-D, Newport, OR (Fac. ID 34865) K35HU-D, Grays River, etc., OR (Fac. ID 34870) K40EG, Tillamook, OR (Fac. ID 34881) K46AK-D, Prineville/Redmond, OR (Fac. ID 34864) K48MP-D, Corvallis/Albany, OR (Fac. ID 34851)
<b>St. Louis Option</b>	Sander Holdings Co. LLC	Sander Operating Co. IV LLC (d/b/a KMOV Television)	KMOV(TV), St. Louis, MO (Fac. ID 70034)
<b>Tucson Option</b>	Sander Holdings Co. LLC	Sander Operating Co. V LLC (d/b/a KMSB Television)	KMSB(TV), Tucson, AZ (Fac. ID 44052)

**Exhibit G-2**  
**Form of Station Option Agreement**

**EXHIBIT G-2**  
**[FORM OF]**  
**STATION OPTION AGREEMENT**

THIS OPTION AGREEMENT (this “*Agreement*”) is made and entered into as of [●], by and among [GANNETT ENTITY], a [●] [●], 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 ENTITY], a Delaware limited liability company and a wholly-owned subsidiary of Grantor (together with its successors and permitted assigns, the “*Company*”).

**W I T N E S S E T H**

**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 Gannett Co., Inc., the Company has acquired, pursuant to that certain Asset Purchase Agreement, dated as of June 12, 2013 (the “*Purchase Agreement*”), certain assets with respect to [STATION] (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 [•] Dollars (\$[•]),<sup>1</sup> 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.**

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<sup>1</sup> Louisville Option:	\$17,973
Phoenix Option:	\$86,555
Portland Option:	\$57,104
St. Louis Option:	\$78,736
Tucson Option:	\$14,077



(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) ***Allocation.*** Option Holder, Grantor and the Company shall allocate the Cash Purchase Price in accordance with the respective fair market values of the Station Assets and the goodwill being purchased and sold in accordance with the requirements of Section 1060 of the Internal Revenue Code of 1986, as amended. The allocation shall be determined by mutual agreement of the parties. Option Holder, Grantor and the Company agree to file their federal income tax returns and their other tax returns reflecting such allocation and to use such allocation for accounting and financial reporting purposes.

(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, Shared Services Agreement and Transition Services Agreement (individually and collectively, a “***Covered Sharing Agreement*”)]<sup>2</sup>, 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

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<sup>2</sup> NTD: As applicable for each market.

Purchase Agreement and the credit facility, agreement or other financing arrangement entered into by the Company with respect to the payment of obligations of the Company at the Closing under the Purchase Agreement, pursuant to which Option Holder has agreed in writing to guarantee the indebtedness of the Company thereunder (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 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 [•] duly formed, validly existing and in good standing under the laws of the State of [•].

(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).

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, but, except as provided for herein, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by Grantor or the Company without the prior written consent of Option Holder. 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.

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.** 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.

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:**  
**[STATION LICENSEE]**

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

**GRANTOR:**  
**SANDER HOLDINGS Co. LLC**

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

**OPTION HOLDER:**  
**[GANNETT ENTITY]**

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

Name:

Title:



## Exhibit A -- Form of Assignment Agreement

This Assignment and Assumption Agreement (this “**Agreement**”) is made as of [•] [•], 20[•], by and among [SANDER ENTITY], a Delaware limited liability company (“**Seller**”), and [GANNETT ENTITY], a [•] [•] (“**Buyer**”).

### WITNESSETH:

**WHEREAS**, Seller, Sander Holdings Co. LLC and Buyer are parties to that certain Option Agreement, dated as of [•][•], 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 ENTITY]**

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

**BUYER:**  
**[GANNETT ENTITY]**

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 ENTITY], a Delaware limited liability company (“**Assignor**”), and [GANNETT ENTITY], a [●] [●] (“**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 [●] [●], 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 ENTITY]**

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

**ASSIGNEE:**  
**[GANNETT ENTITY]**

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  
10751 E. Cottontail Lane  
Scottsdale, Arizona 85255  
Phone: 480-563-8872  
Fax: 480-699-8752

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

Pillsbury Winthrop Shaw Pittman LLP  
2300 N Street, N.W.  
Washington, DC 20037-1122  
Attention: Clifford M. Harrington  
Phone: 202-663-8525  
Fax: 202-663-8007

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 equal to the sum of the Base Value plus the Escalation Amount, each as defined below.
2. For purposes of this Agreement, the “**Base Value**” shall be an amount equal to the aggregate amount payable by the Company at the closing of the transaction under the Purchase Agreement, as allocated to the Station pursuant to the terms and subject to the conditions of Section 2.9 thereof; *provided, however*, that in the event that the Company shall have elected to borrow the purchase price with respect to its payment obligations under the Purchase Agreement pursuant to an Acquisition Financing Arrangement, the “Base Value” shall equal the Outstanding Debt allocable to the Station Assets relating to the Stations.
3. For purposes of this Agreement, the “**Outstanding Debt**” shall be an amount equal to the total outstanding balance of debt as of the date of the Option Closing, if any, for borrowed money of Grantor pursuant to an Acquisition Financing Arrangement with respect to or otherwise allocable to the Stations and the Station Assets.
4. For purposes of this Agreement, the “**Escalation Amount**” shall be an amount equal to the greater of (A) the Fixed Appreciation Amount or (B) the Net Broadcast Cash Flow Amount. For purposes hereof, the “**Fixed Appreciation Amount**” equals the product of (i) the number of calendar years (including fractions of years) during the Option Period prior to the exercise of the Option, times (ii) an amount equal to \$27,000; “**Net Broadcast Cash Flow Amount**” means the product of (x) the number of calendar years (including fractions of years) during the Option Period prior to the exercise of the Option, times (y) the average net broadcast cash flow (as determined by Option Holder) for the preceding 12-month period (or if the Option is exercised prior to the first anniversary of the Effective Date, the average net broadcast cash flow for the period following the Effective Date); *provided, however*, that the Net Broadcast Cash Flow Amount shall not exceed \$54,000. Solely with respect to that portion of the Cash Purchase Price constituting the Escalation Amount, the parties shall apply as a credit against such amount an amount equal to \$5,000 multiplied by the number of months (including fractions of months) between the Effective Date and the date of the Option Closing. In no event shall the Escalation Amount result in an internal rate of return that is less than zero.

**Schedule 2.2(a)(i)**  
**Tangible Personal Property**

With respect to each Station, the following: the Station's transmitters, transmission lines and antennas, microwave equipment (including studio-transmitter link equipment), other equipment customarily used or located at the Station's transmitter site and main studio, and other basic switching and playback equipment reasonably sufficient to permit the transmission of programming to such Station's transmitter site.

**Schedule 2.2(a)(ii)**  
**Assumed Contracts**

**Programming Agreements**

See attached.

**Tower Leases**

All Contracts to which any Seller is a party for access to, and use of, communications towers used by such Seller in connection with the operation of any Station.

**Real Property Leases**

1. Lease Agreement between Gateway Tower Associates LLC and KMOV-TV, Inc., dated as of September 20, 2000.
2. Retail Lease between City of Portland and King Broadcasting Company, dated as of January 29, 2008.

**Other Material Contracts**

1. Shared Services Agreement by and among KTTU-TV, Inc., KMSB-TV, Inc., and KOLD, LLC, dated as of November 15, 2011.
2. Rights of King Broadcasting Company to tower placement under that certain Operating Agreement of Skyline Tower, LLC, dated as of June 1, 1999.
3. Helicopter Service Agreement between Helicopters, Inc. and KMOV-TV, dated as of September 29, 2011.
4. Video Transfer Agreement between Multimedia KSDK, Inc., and KMOV-TV, Inc., dated as of January 1, 2012.
5. Helicopter Sharing Agreement by and among Multimedia Holdings Corporation, Meredith Corporation, and KTVK, Inc., dated as of February 19, 2009.
6. Helicopter Service Agreement by and among Helicopters Inc., Belo Kentucky, Inc., and WAVE Holdings, LLC, dated as of March 15, 2011.
7. Helicopter Video Pooling Agreement between WAVE Holdings, LLC and Belo Kentucky, Inc., dated as of March 15, 2011.

**Labor Agreements:** REDACTED