

BROADCAST SERVICES AGREEMENT

This **BROADCAST SERVICES AGREEMENT** ("Agreement") is entered into as of August 2, 2012 by and between Bayshore Television, LLC, a North Carolina limited liability company (together with its successors and permitted assigns, "Bayshore") and Cox Media Group, LLC, a Delaware limited liability company (together with its successors and permitted assigns, "CMG"). Bayshore and CMG are referred to collectively as the "Parties" and each a "Party."

Premises

Bayshore has assumed from CMG obligations under an agreement (the "Asset Purchase Agreement") among Newport Television LLC and Newport Television License LLC, both Delaware limited liability companies (collectively, "Seller") and CMG for the purchase of the licenses and assets of full-power television station WTEV-TV, Jacksonville, Florida (Facility ID No. 35576) licensed by the Federal Communications Commission ("FCC") to serve Jacksonville, Florida, Channel 19 ("WTEV-TV"), with the consummation of such sale to be subject to the consent of the FCC. Pursuant to the Asset Purchase Agreement, CMG has agreed to purchase full power television station WAWS(TV), Jacksonville, Florida (Facility ID No. 11909) (WTEV-TV and WAWS(TV) collectively are the "Stations").

Bayshore desires to procure from CMG and CMG desires to provide to Bayshore certain sales and other services in connection with the operation of WTEV-TV.

Accordingly, Bayshore and CMG concurrently have entered into this Agreement and a related Broadcast Sales Agreement of even date herewith pursuant to which CMG agrees to provide certain broadcast sales services to Bayshore in connection with the operation of WTEV-TV (the "Broadcast Sales Agreement"). By this Agreement, CMG desires to supply certain other services for Bayshore in connection with the operation of WTEV-TV.

NOW, THEREFORE, in consideration of the mutual covenants, and agreements contained herein for other good and valuable consideration, the receipt of sufficiency of which are hereby acknowledged, CMG and Bayshore agree as follows:

1. SHARING ARRANGEMENTS GENERALLY.

(a) From time to time, CMG and Bayshore may agree to share the costs of certain services and procurements that they individually require in connection with the operation of the Stations. Such sharing arrangements may take the form of the performance of certain functions relating to the operation of one Station by employees of the operator of the other Station (subject in all events to the supervision and control of personnel of the operator of the Station to which such functions relate), or may be otherwise structured, and shall be governed by terms and conditions upon which CMG and Bayshore may agree in writing from time to time. Such sharing arrangements may include the co-location of the studio, non-managerial administrative and/or master control and technical facilities of the Stations and the sharing of grounds keeping, maintenance, security and other services relating to those facilities. In

EXECUTION

performing services under any such sharing arrangement (including those described in Section 4), personnel of one Party shall be afforded access to, and have the right to utilize, subject to the terms of any agreement among the Parties, assets and properties of the other Party to the extent necessary or desirable in the performance of such services. Any and all sharing of services and procurements under this Section 1 shall be subject to and consistent with all other provisions of this Agreement, including Section 3 hereof.

2. CERTAIN SERVICES NOT TO BE SHARED.

(a) Senior Management and Personnel.

(i) At all times, each Station shall retain its own independent management (including general manager). Each Station's management personnel shall (i) be retained solely by the Party that is directly or indirectly the FCC licensee of such Station and shall report solely to such Party, and (ii) have no responsibility to the other Party in respect of the operation of the other Station. At all times, Bayshore shall employ a sufficient number of employees to carry out responsibility for control of WTEV-TV, including all services that are not shared, including at least two full-time employees, at least one of which shall be a manager ultimately responsible for the day-to-day management and operations of WTEV-TV, and shall maintain a presence at WTEV-TV during regular business hours.

(ii) Except as provided in this Section 2(a)(ii) hereof, (A) at all times, any CMG employees utilized by CMG to perform its obligations under this Agreement shall be employed solely by CMG; (B) except as otherwise provided in this Agreement, CMG's employees shall report solely to CMG and shall otherwise have no involvement with, or duties with respect to, the programming, operation or maintenance of the facilities of WTEV-TV; and (C) at no time shall any person employed by Licensee simultaneously be an employee of CMG, and vice versa.

(b) **Programming and Sales.** Each Party shall maintain for its own Station separate managerial and other personnel to carry out the selection and procurement of programming for such Station except as set forth in Section 4(f) below regarding the Agent-Provided Programming, and in no event shall the Parties or the Stations share services, personnel, or information pertaining to such matters. In addition, Bayshore and CMG have entered into a Broadcast Sales Agreement of even date herewith (the "Broadcast Sales Agreement") pursuant to which CMG has the right to sell advertising and commercial time and certain services on WTEV-TV.

3. GENERAL PRINCIPLES GOVERNING SHARING ARRANGEMENTS.

All arrangements contemplated by this Agreement shall be subject to, and are intended to comply in all respects with, the Communications Act of 1934, as amended (the "Act"), the rules, regulations and policies of the Federal Communications Commission (the "FCC"), as in effect from time to time (the "FCC Rules and Regulations"), and all other applicable laws ("Other Laws"). The arrangements made pursuant to this Agreement 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 or the Stations, and no

such arrangement shall be deemed to give either Party any right to control the policies, operations, management or any other matter relating to the Station operated by the other Party.

4. CERTAIN SPECIFIC SHARING ARRANGEMENTS. In furtherance of the general agreements set forth in Section 1 through Section 3 above, CMG and Bayshore have agreed as follows with respect to the sharing of certain services (the “Services”) provided in the ordinary course of business. CMG shall initiate performance of the specific service obligations set forth in this Agreement (other than those obligations that are to be initiated or performed as of a specified later date) on the date that the transactions contemplated by the Asset Purchase Agreement are consummated (the “Effective Date”):

(a) **Execution of Promotional Policies and Delivery of Promotional Services and Program Acquisition Opportunities.** CMG personnel shall implement and execute a promotional policy for WTEV-TV developed in consultation with Bayshore. Such implementation and execution shall include such tasks as graphic design, production, and media placement for the promotion of WTEV-TV’s products and services. CMG shall produce and deliver customary promotional services with respect to WTEV-TV’s channels, which during any Licensee Period shall be subject to the ultimate oversight of Bayshore.

(b) **Continuity and Traffic Support.** Subject to direction and control by management personnel of Bayshore, CMG personnel shall carry out back-office and non-managerial services, continuity, and such other tasks necessary to support traffic functions of WTEV-TV.

(c) **Master Control.** Master control operators and related employees of CMG shall carry out master control functions for WTEV-TV subject to the direction and control of Bayshore’s management personnel.

(d) **Technical Facilities Maintenance.** Subject to direction and control by Licensee management personnel, CMG personnel shall maintain and provide routine repair (as needed) of the technical facilities of WTEV-TV.

(e) **Office and Studio Space.** CMG, during the term of this Agreement, shall provide office space for Bayshore’s use in the operation of WTEV-TV. CMG shall provide to Bayshore, including its employees and agents, the right of unfettered access to, and use of, in connection with the operation of WTEV-TV, such other equipment and real property in the ordinary course of business and otherwise to an extent and in a manner sufficient to enable Licensee to maintain a main studio for WTEV-TV in compliance with the FCC Rules; provided that, to the extent leased facilities or premises may be subject to the terms of a third-party lease, such access hereunder shall be subject in all respects to the terms and conditions of such underlying lease. Bayshore shall have the right to use the common areas relating to the Premises including, but not limited to, reception areas and restrooms, as well as conference rooms and parking facilities, provided, however, that Bayshore’s rights to use of the common areas are expressly subject to availability and further provided that in the exercise of all such rights to the common areas, Bayshore’s use shall be reasonable in the context and in proportion to the amount of space occupied by Bayshore in the Premises and shall be subject to reasonable limitation imposed by CMG to facilitate joint and harmonious use of such common areas. CMG may

EXECUTION

change the location of the office and studio space, so long as Bayshore is provided with reasonable advance notice of any such change, any such move does not unreasonably interfere with the operations of WTEV-TV. CMG shall be responsible for the costs and expenses of any such relocation.

(f) **Agent-Provided Programming.** CMG agrees to produce, deliver and provide Bayshore with programming (subject to the ultimate oversight and control of Licensee, including the right to reject any programming that it reasonably and in good faith deems inappropriate, in violation of the Act, the FCC Rules and Regulations, Other Laws, or contrary to Bayshore's obligation to operate in the public interest) at the times set forth on Schedule B hereto beginning on the date specified in Schedule B hereto or such other times as the parties may mutually agree from time to time (collectively, the "**Agent-Provided Programming**"). CMG shall have the right to provide or designate up to 15% of WTEV-TV's weekly programming hours with Agent-Provided Programming, *provided that* the total amount of Agent-Provided Programming shall not exceed 15% of WTEV-TV's programming hours each week (approximately 25 hours). CMG shall be entitled to sell all commercial availabilities in programming in the time periods designated for Agent-Provided Programming and to retain one hundred percent (100%) of the revenue attributable to commercial availabilities or other revenue streams attributable to Agent-Provided Programming. Agent-Provided Programming shall be in compliance with the Act, the FCC Rules and Regulations and Other Laws and generally accepted program quality standards of the television broadcast industry. Agent-Provided Programming may include, without limitation, videotape, graphics, news stories, field reports and other material of a non-exclusive nature.

(g) **Websites.** CMG shall maintain and operate the websites maintained by or on behalf of WTEV-TV, and may establish additional websites for WTEV-TV, with all such websites to be maintained on a URL separate from the website for the CMG Station and branded with the call-sign of WTEV-TV; provided that CMG shall have access to and exclusive ownership of any contact information or other intellectual property or data obtained through the operation of WTEV-TV website. CMG shall cooperate with Bayshore so that Bayshore may include within such website any information required to be included on a broadcast licensee's website under FCC rules.

(h) **General and Administrative.** Subject to direction and control by Bayshore management personnel, CMG shall provide general and administrative support and back-office services (including without limitation promotion, traffic, master control, facilities maintenance, regulatory support services, and programming support services) for WTEV-TV, including customary station business-office, payroll, and accounting services (but excluding program selection, negotiation and contracting for programming, and program scheduling, all of which shall be exclusively the responsibility of Bayshore).

(i) **Collection Services for Post-Effective Date Accounts Receivable.** CMG shall provide collection services, as agent for Bayshore, for post-Effective Date accounts receivable arising from Commissionable Services (as defined in the Broadcast Sales Agreement) provided through WTEV-TV, with the amounts so collected being referred to hereinafter as the "**Commissionable Revenues.**" CMG shall collect all accounts receivable for Commissionable Services, retain CMG's share from Commissionable Revenues collected during each calendar

EXECUTION

month in accordance with the Broadcast Sales Agreement, and remit Bayshore's share of the Commissionable Revenues to Bayshore no later than the fifteenth (15th) day following the last day of the calendar month during which CMG collected such Commissionable Revenues.

(j) **Collection Services for Pre-Effective Date Accounts Receivable.** CMG shall provide collection services for pre-Effective Date Accounts Receivable of WTEV-TV to the extent provided below:

(i) Beginning on the Effective Date, CMG, as agent for Bayshore, shall collect WTEV-TV's pre-Effective Date accounts receivable from all revenue sources.

(ii) CMG shall gather and log payments received by Bayshore, apply such payments in a manner consistent with Section 5.10 of the Asset Purchase Agreement, and take all other actions required to satisfy Bayshore's obligations under Section 5.10 the Asset Purchase Agreement.

(k) **Multichannel Video Programming Distributer ("MVPD") Support.** Subject to the direction and control of Bayshore personnel, CMG shall advise and consult in the negotiation and administration of retransmission consent agreements with MVPDs for WTEV-TV. To assist CMG in its efforts, Bayshore shall promptly provide to CMG copies of all material correspondence with MVPDs in its possession concerning carriage of WTEV-TV's signal. CMG will assist with the collection of revenues received under retransmission consent agreements with MVPDs respecting the carriage of the signal of WTEV-TV. For the avoidance of doubt, Bayshore shall be entitled to retain any revenue relating to the signal of WTEV-TV received under a retransmission consent agreement with a MVPD.

5. EXTRAORDINARY SERVICES, EXCLUSIONS FROM SHARED SERVICES.

(a) **Exclusions.** The following (collectively, the "Service Exclusions") shall not be included within the definition of the Services:

(i) CMG shall have no obligation to institute legal action to collect overdue accounts receivable. CMG shall have the right, but not the obligation, to institute legal action to collect overdue accounts receivable consisting in whole or in part of revenue attributable to Commissionable Services, and Bayshore agrees to cooperate with CMG in any such collection action.

(ii) Bayshore shall have sole responsibility for the selection and acquisition of programming of WTEV-TV, other than the Agent-Provided Programming described in Section 4(f) hereof.

(b) **Extraordinary Services.** Bayshore may from time to time request that CMG provide services similar to those set forth in Section 4(a) through Section 4(k) outside the ordinary course of business (including, for example and without limitation, unexpected or non-routine maintenance or repair; replacement and procurement of Licensee equipment; production of additional newscasts or other non-recurring programming; upgrades of technical, master

control or studio facilities) or procure for Bayshore additional tower, transmitter facility, office or studio space; or other services; provided, however, that all such services provided shall at all times conform with the terms and conditions of this Agreement, including without limitation Section 1 through Section 3. The costs of such additional services shall be billed as set forth in Section 7.

6. CONDUCT OF OPERATIONS.

(a) **Control.** During the term of this Agreement, Bayshore shall maintain control over the operations of WTEV-TV within the meaning of the Act and FCC's Rules and Regulations, including, but not limited to, management, programming, finances, editorial policies, personnel, facilities and compliance with the Act, FCC Rules and Regulations and Other Laws in effect from time to time. Nothing contained herein shall give CMG any right to control Bayshore's management, programming, finances, editorial policies, or personnel. Bayshore shall be solely responsible for and pay in a timely manner all of the WTEV-TV Expenses.

(b) **Issue-Responsive Public Interest Programming.** Bayshore shall be responsible for presenting public interest programming that is responsive to the problems, needs and interests of WTEV-TV's service area ("Public Interest Programming") and shall be responsible for ascertaining such problems, needs and interests. At Licensee's request, CMG shall provide information concerning the portions of the Agent-Provided Programming that it believes qualify as Public Interest Programming.

(c) **Interruption of Operations.** If WTEV-TV suffers loss or damage of any nature to its transmission facilities which results in the interruption of service or the inability to operate full time at maximum authorized facilities, Bayshore shall undertake (or, in the case of leased facilities, provide notice so as to cause to be undertaken) such repairs as are reasonably necessary to restore the full-time operation of WTEV-TV with authorized facilities.

(d) **Compliance with Law.** CMG agrees that, throughout the term of this Agreement, CMG shall comply with the Act, the FCC Rules and Regulations, and Other Laws. Bayshore agrees that, throughout the term of this Agreement, Bayshore shall comply with the Act, the FCC Rules and Regulations, and Other Laws.

(e) **Responsibility for Services, Duties and Obligations other than the Services.** Nothing in this Agreement relieves or is intended to relieve Bayshore of its duties and obligations with respect to any service that Bayshore may not delegate pursuant to the Act and the FCC Rules and Regulations or that CMG is not specifically obligated to provide under this Agreement.

7. MONTHLY SERVICES FEE AND EXPENSES.

(a) **Amount.** In consideration for the specific services to be provided to WTEV-TV by CMG as set forth herein, Bayshore shall pay to CMG, beginning as of the Effective Date, with such amounts payable in arrears, the following (hereinafter, in the aggregate, the "Services Fee and Expenses"):

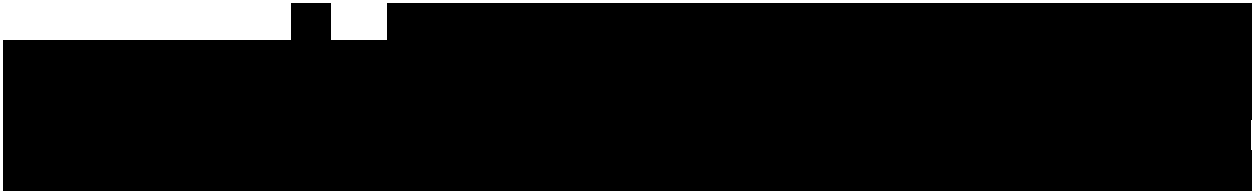
(i) a cash amount (the "Monthly Services Fee") equal to the amount set forth in Schedule A hereto, as adjusted pursuant to Section 7(b) and 7(c) below.

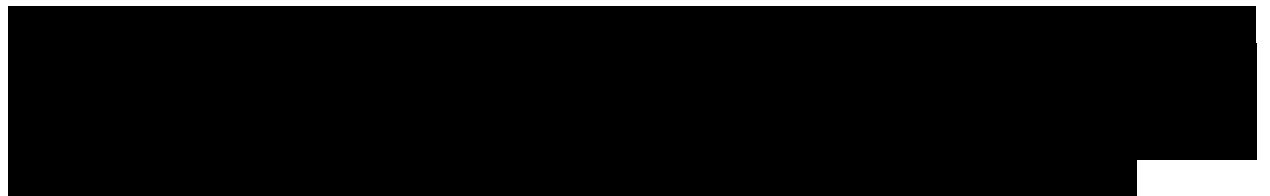
(ii) the cost of providing any extraordinary services described in Section 5(b) outside the ordinary course of business as requested by Bayshore (the "Additional Services Fee"); and

(iii) any out of pocket expenses (or pro ration thereof) for (A) equipment dedicated primarily to the use of, or procured on behalf of, Bayshore or (B) third party services procured on behalf of Bayshore, each to the extent requested by Bayshore and pre-approved by Bayshore in writing, in connection with the services provided pursuant to this Agreement.

(b) **Adjustments to Services Fee.** The Monthly Services Fee shall be adjusted as follows:

(i) Effective as of each July subsequent to the Base Month, there shall be made a cost-of-living adjustment of the Monthly Services Fee payable hereunder. The July adjustment shall be based on the percentage difference between the Price Index for the next preceding month of June and the Price Index for the Base Month. In the event the Price Index for June in any calendar year during the term of this Agreement reflects an increase over the Price Index for the Base Month, then the Monthly Services Fee originally herein provided to be paid as of the July 1st next following such month of June shall be multiplied by the percentage difference between the Price Index for June and the Price Index for the Base Month, and the resulting sum shall be added to such Monthly Services Fee, effective as of such July 1st. No adjustments or re-computations, retroactive or otherwise, shall be made due to any revision which may later be made in the first published figure of the Price Index for any month. Any delay or failure of CMG, beyond July of any year, in computing or billing for the adjustments hereinabove provided, shall not constitute a waiver of or in any way impair the continuing obligation of Bayshore to pay such adjustments hereunder. For the purpose of calculating the cost- of- living adjustments, the following definitions shall apply: (i) the term "Base Month" shall mean the calendar month immediately preceding the calendar month of the Effective Date; and (ii) the term "Price Index" shall mean the "Consumer Price Index for All Urban Consumers" published by the Bureau of Labor Statistics of the United States Department of Labor.





(c) **Timing.** The Services Fee and Expenses shall be payable monthly in cash, in arrears, on the fifteenth (15th) business day of the month that follows the month to which such Fee relates, and shall be prorated, if necessary, for any partial months.

(d) **Service Standards.** CMG shall perform the services required hereunder in a manner that complies in all material respects with the Act, FCC Rules and Regulations, Other Laws, and generally accepted broadcast industry standards.

8. EXPENSES TO BE PAID BY LICENSEE. Licensee shall pay directly the core operational expenses of a broadcast licensee with respect to WTEV-TV, including: (i) all payments for programming (other than Agent-Provided Programming) including, without limitation, film expenses and music rights payments, (ii) capital expenditures relating to any transmission or other facilities, (iii) utility costs for WTEV-TV's transmission facilities, (iv) costs and expenses of WTEV-TV employees and other licensee personnel, including severance expenses and benefits, (v) any network compensation payments or other payments to programming networks, (vi) lease or other payments to third parties for use of studio or transmission facilities, (vii) expenses related to FCC compliance and filing fees, (viii) premiums, deductible amounts paid in connection with insurance claims, and other out-of-pocket costs and expenses relating to insurance, (ix) lease payments, and other payments on any real, personal or other property leased for WTEV-TV; and (x) any governmental fees or taxes assessed or levied upon WTEV-TV or its revenue.

9. REPRESENTATIONS AND WARRANTIES.

(a) **By CMG.** CMG is duly organized and is validly existing and in good standing as a limited liability company under the laws of the State of Delaware. CMG has the requisite power and authority to enter into and perform this Agreement. The execution, delivery and performance of this Agreement by CMG are within the powers of CMG and have been duly and validly authorized by all necessary action on the part of CMG. This Agreement has been duly executed and delivered by CMG and constitutes a valid and binding agreement of CMG enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium or other laws relating to or affecting creditors' rights generally and the exercise of judicial discretion in accordance with general equitable principles.

(b) **By Bayshore.** Bayshore is duly organized and validly existing and in good standing as a limited liability company under the laws of the State of North Carolina. Bayshore has the requisite power and authority to enter into and perform this Agreement. The execution, delivery and performance of this Agreement by Bayshore is within the powers of Bayshore, and has been duly and validly authorized by all necessary action on the part of Bayshore. This Agreement has been duly executed and delivered by Bayshore and constitutes a valid and binding agreement of Bayshore enforceable in accordance with its terms, except as

such enforceability may be limited by bankruptcy, insolvency, moratorium or other laws relating to or affecting creditors' rights generally and the exercise of judicial discretion in accordance with general equitable principles.

10. INDEMNIFICATION; INSURANCE.

(a) **By CMG.** CMG shall indemnify and hold Bayshore and its officers, members, managers, agents, and employees harmless against any claim, loss, cost, damages or liability (each, a "Loss"), including without limitation for 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 in any manner to (i) the broadcast on WTEV-TV of any material supplied by CMG, (ii) a breach or nonfulfillment by CMG of any obligation or agreement or any representation, warranty, or covenant contained in or made pursuant to this Agreement, (iii) the services provided by CMG or material furnished by CMG for broadcast on WTEV-TV, (iv) CMG's operations or actions pursuant to this Agreement relating to the operations of WTEV-TV or the assets of WTEV-TV, including without limitation for any fine or forfeiture imposed by the FCC relating to any content or material furnished by CMG or any conduct of CMG (including omissions), or (v) CMG's negligence and willful misconduct.

(b) **By Bayshore.** Bayshore shall indemnify and hold CMG and its officers, directors, shareholders, agents, and employees harmless against any claim, loss, cost, damages or liability, including without limitation for 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 in any manner to (i) the broadcast on WTEV-TV of any material supplied by Bayshore during the term of this Agreement, (ii) a breach or nonfulfillment by Bayshore of any obligation or agreement or any representation, warranty, or covenant contained in or made pursuant to this Agreement, or (iii) Bayshore's negligence and willful misconduct.

(c) **Exclusions.** Neither party shall indemnify the other against damages resulting from a breach or failure that arises out of or otherwise relates to (a) any actions or omissions by or under the authorization of the other party, its affiliates or any of their respective officers, directors, employees, agents or representatives, (b) the failure of the other party to perform any of its obligations under this Agreement or the Broadcast Sales Agreement or (c) matters for which the other party indemnifies and holds harmless the first party.

(d) **General.** Indemnification shall include all liability, costs, and expenses, including reasonable counsel fees (at trial and on appeal). The indemnification obligations under this Section shall survive any termination of this Agreement. Each Party shall give the other reasonably prompt notice of any matter subject to indemnification under this paragraph, provided that no failure to give any such notice as set forth in this sentence shall limit the obligation of the indemnifying Party, except to the extent such failure results in prejudice to the indemnifying Party. Each Party claiming indemnification shall reasonably cooperate with the indemnifying party in defending against the claim. The Party responsible for indemnification shall select counsel and control the defense, subject to the indemnified Party's reasonable approval, provided, however, that no claim may be settled by an indemnifying Party without the consent of

EXECUTION

the indemnified Party, and provided further, that if an indemnifying party and a claimant agree on a settlement and the indemnified Party rejects the settlement unreasonably, the indemnifying Party's liability shall be limited to the amounts the claimant agreed to accept in settlement. Notwithstanding anything to the contrary contained herein, in no event shall any Party hereto be liable to the other for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with applicable law, except with respect to an obligation to indemnify the other Party against a Loss to the extent the Loss includes such damages awarded by a court of competent jurisdiction in connection with a claim made by a third party.

(d) **Insurance.** CMG and Bayshore shall each carry the following insurance covering their activities under this Agreement issued by reputable companies: (i) commercial general liability and automobile liability in an amount of not less than One Million Dollars (\$1,000,000) each occurrence and umbrella liability insurance in an amount not less than Two Million Dollars (\$2,000,000.00) each occurrence; (ii) property insurance at replacement cost including business income and extra expense insurance, (iii) workers' compensation at statutory limits and employer's liability insurance at a Five Hundred Thousand limit (\$500,000) and (iv) professional media/broadcast liability insurance coverage, in an amount not less than One Million Dollars (\$1,000,000) each occurrence. Each Party shall name the other party as an additional insured on these policies, should the additional insured be named in any claims arising out of the operations and obligations of the named insured party. At the request of either Party, each Party shall provide to the other a certificate of insurance evidencing the foregoing coverage.

11. TERM OF SERVICES ARRANGEMENT.

(a) The term of this Agreement shall commence on the date of execution of this Agreement. The initial term of this Agreement is eight (8) years following the Effective Date.

(b) CMG shall initiate performance of the specific service obligations set forth in this Agreement (other than those obligations that are to be initiated or performed as of a specified later date) on the Effective Date).

(c) This Agreement shall be extended for successive eight (8) year terms following the initial term unless terminated as provided in this subsection. Either Party may terminate this Agreement at the end of the initial eight-year term or any successive eight-year term by prior written notice to the other delivered at least six (6) months prior to the end of the current term. Notwithstanding the foregoing, this Agreement shall terminate

(i) upon the consummation of the assignment of the assets and FCC licenses relating to WTEV-TV to CMG, or an assignee of CMG, under the terms of a certain Option Agreement (the "Option Agreement") entered into by Bayshore and CMG or an affiliate of CMG;

(ii) upon the termination of the Broadcast Sales Agreement;

(iii) by mutual consent of the parties;

EXECUTION

(iv) upon (a) the denial by the FCC, by final agency action no longer subject to appeal or review, of the FCC consent required for Bayshore to acquire WTEV-TV, or (b) the termination of the Asset Purchase Agreement without consummation of the transaction contemplated thereby; or

(v) upon the election of CMG or Bayshore if the FCC revokes or fails to renew WTEV-TV license and Bayshore has fully exhausted all of its appeals of such action before the FCC and before any court with jurisdiction over such action.

12. EVENTS OF DEFAULT. The following shall, after the expiration of the applicable cure periods, constitute Events of Default under this Agreement:

(a) **Non-Payment.** Bayshore's failure to remit to CMG any payment described in Section 7 above in a timely manner or CMG's failure to remit to Bayshore any payment described in Section 7(b)(iii) in a timely manner.

(b) **Default in Covenants.** The default by either Party in the material observance or material performance of any covenant, condition, or agreement contained herein (provided the Party asserting the default is not then in default under this Agreement or the Broadcast Sales Agreement), or the material breach of any representation or warranty herein made by such Party to the other herein (provided the Party asserting the material breach is not then in material breach under this Agreement or the Broadcast Sales Agreement).

(c) **Event of Default under Broadcast Sales Agreement.** An event of default under the Broadcast Sales Agreement that has not been cured such within the time period stated therein.

(d) **Option Agreement Default.** A default of obligations under the Option Agreement that has not been cured such within the time period stated therein

13. CURE PERIOD AND TERMINATION UPON DEFAULT. An Event of Default shall not be deemed to have occurred until ten (10) business days after the non-defaulting party has provided the defaulting party with written notice specifying the event or events which if not cured would constitute an Event of Default and specifying the actions necessary to cure within such ten-day period; *provided, however*, that if the breach or default cannot reasonably be cured within such period, *and* if reasonable and diligent efforts to cure commence promptly, then the Cure Period shall continue as long as such reasonable and diligent efforts to cure continue. Either Party may terminate this agreement upon notice to the other Party in the event the other Party is responsible for an Event of Default; provided that no such termination shall relieve any Party of its obligations arising prior to such termination.

14. POST-TERMINATION SERVICES. Upon the termination of this Agreement other than at the end of a term for any reason other than Bayshore's material breach, if requested by Bayshore in writing, CMG agrees to continue for a period not to exceed six (6) months following such termination to provide Bayshore with office and studio space and access to master control facilities to the extent that CMG then provided such access or such space pursuant to Section 4(e) above.

EXECUTION

15. FORCE MAJEURE. If a *force majeure* event such as a strike, labor dispute, fire, flood or other act of God, failure or delay of technical equipment, war, public disaster, or other reason beyond the cause or control of CMG or Bayshore prevents such Party or its personnel from performing tasks which it is required to perform under this Agreement during any period of time, then such failure shall not be a breach of this Agreement and such Party shall be excused from such performance during that time.

16. SEVERABILITY. If this Agreement is challenged in whole or in part at the FCC or in another administrative or judicial forum, CMG and Bayshore shall jointly defend the agreement and their respective performance hereunder, throughout all such proceedings. If any provision of this Agreement or the application thereof to any person or circumstance shall be found to be invalid, unenforceable or contrary to applicable law or regulation to any extent by any court, administrative agency or similar governmental authority, 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 unenforceable, the Parties 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 while still ensuring compliance with the court order or decision, rule, regulation or policy interpretation, application, alteration or modification. 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 (i) the validity of any provision of this Agreement or (ii) whether or not a Party would be in violation of any FCC rule or policy as a result of such Party's compliance with any provision of this Agreement, the Parties shall negotiate in good faith to revise any such provision of this Agreement in an effort to comply with all applicable FCC rules and policies, while attempting to preserve the intent of the Parties as embodied in the provisions of this Agreement. The Parties 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. If the Parties are unable to negotiate a mutually acceptable modified Agreement or such court or administrative agency (including the FCC) or similar governmental authority does not approve any reformed or revised version of this Agreement, or approves such reformed or revised version with conditions that have, or would reasonably be expected to have a material adverse effect on CMG or Bayshore, then either Party may terminate this Agreement upon written notice to the other and such termination shall not be deemed to be an event of default, and each Party shall be relieved of any further obligations, one to the other.

17. AMENDMENT AND WAIVER. No modification, amendment, change or waiver of any provision of the Agreement shall be effective unless in writing and signed by the Party against whom such modification, amendment, change or waiver is asserted, and no failure to exercise any right, power, or privilege hereunder shall operate to restrict the exercise of the same right, power, or privilege upon any other occasion nor to restrict the exercise of any other right, power, or privilege upon the same or any other occasion. The rights, powers, privileges, and remedies of the Parties hereto are cumulative and are not exclusive of any rights, powers,

EXECUTION

privileges, or remedies which they may have at law, in equity, by statute, under this Agreement, or otherwise.

18. NOTICES. All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally, by a nationally recognized overnight courier service (such as Federal Express) (with evidence of receipt), by facsimile transmission (with electronic confirmation of receipt) or mailed by registered or certified mail (return receipt requested and postage prepaid), to the Parties at the following addresses (or at such other address for a Party as shall be specified by like notice):

To Bayshore: Bayshore Television, LLC
 48 Deep Creek Trail
 Arden, NC 28704
 Attention: Bruce R. Baker
 Telephone: 828-684-6319
 Facsimile:

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

Law Offices of Jack N. Goodman
1200 New Hampshire Ave., N.W., Suite 800
Washington, DC 20036
Attention: Jack N. Goodman, Esq.
Telephone: 202-776-2045
Facsimile: 202-776-2222

To CMG: Cox Media Group, LLC
 6205 Peachtree Dunwoody Road
 Atlanta, GA 30328
 Attention: Charles L. Odom
 Facsimile: (678) 645-5003

With copies (which shall not constitute notice) to:

Cox Enterprises, Inc.
6205 Peachtree Dunwoody Road
Atlanta, GA 30328
Attn: Shauna Muhl, Esq.
Facsimile: (678) 645-1829

and

Dow Lohnes PLLC
1200 New Hampshire Avenue, N.W.
Suite 800
Washington, DC 20036-6802
Attention: Michael D. Basile, Esq.
Telephone: (202) 776-2556
Facsimile: (202) 776-4556

19. SUCCESSORS AND ASSIGNS. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Except as provided for herein, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by Bayshore without the prior written consent of CMG, which consent shall not be unreasonably withheld. Subject to obtaining the consent of CMG, Bayshore shall assign its rights and obligations under this agreement to any successor in interest to Bayshore or Licensee as holder of the FCC license for WTEV-TV and shall require, as a condition of such assignment or transfer, that its successor undertake to assume each and every obligation of Bayshore hereunder pursuant to a written agreement reasonably satisfactory to CMG. CMG may assign its rights and obligations under this Agreement to any other party or Parties without the consent of Bayshore; provided that such assignee is financially and legally qualified to perform the obligations of CMG hereunder. Upon assignment by CMG pursuant to the previous sentence, CMG shall be liable for the performance of financial obligations under this Agreement in the event that CMG's assignee fails to perform such obligations. This Agreement shall not be assignable separate from the Broadcast Sales Agreement and Option Agreement among the Parties of even date herewith. The covenants, conditions and provisions hereof are and shall be for the exclusive benefit of the parties hereto and their permitted successors and assigns, and nothing herein, express or implied, is intended or shall be construed to confer upon or to give any person or entity other than the parties hereto and their permitted successors and assigns any right, remedy or claim, legal or equitable, under or by reason of this Agreement.

20. STRICT CONSTRUCTION. The language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement.

EXECUTION

21. CAPTIONS. The captions used in this Agreement are for convenience of reference only, do not constitute a part of this Agreement and shall not be deemed to limit, characterize or in any way affect any provision of this Agreement, and all provisions of this Agreement shall be enforced and construed as if no caption had been used in this Agreement.

22. GOVERNING LAW; ENTIRE AGREEMENT. This Agreement, and the rights and obligations of the parties hereto, shall be construed in accordance with the laws of the State of Delaware without regard to principles of conflict of laws. The following agreements of even date herewith embody the entire agreement between the parties with respect to the subject matter hereof and thereof: (a) this Agreement; (b) that certain Broadcast Sales Agreement pursuant to which CMG agrees to serve as agent to Bayshore in connection with the sale of commercial time as services as described therein; and (c) the Option Agreement (collectively, the “Final Agreements”). Apart from the Final Agreements, there are no other agreements, representations, or understandings, oral or written, between the Parties with respect thereto. This Agreement supersedes all negotiations, representations, warranties, commitments, offers, contracts and writings prior to the date hereof with respect to the subject matter hereof.

23. COUNTERPARTS. 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.

24. NO PARTNERSHIP OR JOINT VENTURE; SPECIAL DAMAGES.

(a) The Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or a joint venture between the parties. Except as otherwise specifically provided in the Agreement, neither party shall be authorized to act as an agent of or otherwise to represent the other party.

(b) Notwithstanding anything to the contrary contained herein, in no event shall any Party hereto be liable to the other for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with applicable law, except with respect to an obligation to indemnify the other Party against a Loss to the extent the Loss includes such damages awarded by a court of competent jurisdiction in connection with a claim made by a third party.

25. WAIVER OF JURY TRIAL. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT (EACH PARTY HAVING HAD OPPORTUNITY TO CONSULT COUNSEL), EACH PARTY EXPRESSLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY LAWSUIT OR PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREIN.

26. SCHEDULES. The Schedules attached to this Agreement are incorporated herein and shall be considered a part of this Agreement for the purposes stated herein.

27. RIGHTS CUMULATIVE. Except as set forth herein, all rights, powers and remedies herein given to the parties hereto are cumulative and not alternative.

EXECUTION

28. THIRD PARTY RIGHTS. Nothing in this Agreement (including the Schedules attached hereto or any ancillary agreement, instrument or document contemplated hereby or relating hereto) shall be deemed to create any right with respect to any person or entity not a party to, or any property not subject to this Agreement.

29. PRESS RELEASES. Except as otherwise required by law, CMG and Bayshore shall, prior to the issuance of any press release relating to the transaction contemplated by this Agreement, (a) submit the text of the proposed press release to the other party, and obtain the approval of such party to the press release, which approval shall not be unreasonably withheld; and (b) use its best efforts to characterize the other party, in any other public statements made by the party making such statement about the other party, on substantially the same basis as in any press release made by the party making such statement.

30. CONFIDENTIALITY. Except as otherwise required by law, neither party shall disclose to third parties, other than its members, partners, stockholders, directors, officers, employees, lenders and prospective lenders, accountants, attorneys and agents for purposes of performing the services contemplated hereby (who shall also be made subject to the restrictions of this section), any information, whether or not in writing, received from the other party or its agents in the course of performing the services contemplated by this Agreement; provided, that no information shall be deemed to be confidential that (a) becomes publicly known or available other than through disclosure by such party; (b) is rightfully received from a third party who has no obligation of confidentiality to the other party; or (c) is independently developed. This Section 30 shall remain in effect until one (1) year after termination of this Agreement and the Broadcast Sales Agreement.

31. OTHER DEFINITIONAL PROVISIONS. The terms “hereof,” “herein” and “hereunder” and terms of similar import shall 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. 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 shall be interpreted to be illustrative only and shall not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

32. COLLATERAL ASSIGNMENT. CMG or Bayshore may collaterally assign all or any of their respective rights under this Agreement to their respective senior secured lenders or an agent on their behalf from time to time. Upon written notice by any such lender or agent to the other Party hereto, such lender or agent shall be entitled to exercise any and all rights of the applicable collaterally assigning Party hereunder

33. RETENTION OF SPECTRUM. During the term of this Agreement, Bayshore agrees that it will not surrender or otherwise offer for sale or lease all or any portion of the broadcast spectrum of WTEV-TV without the written consent of CMG.

[SIGNATURE PAGE FOLLOWS]

EXECUTION

SIGNATURE PAGE TO BROADCAST SERVICES AGREEMENT

IN WITNESS WHEREOF, the Parties have executed this Broadcast Services Agreement as of the date first written above.

Bayshore:

BAYSHORE TELEVISION, LLC

CMG:

COX MEDIA GROUP, LLC

By: _____

Name: Bruce Baker

Title: Sole Member

By:  _____

Name: Bill Hoffman

Title: Executive Vice President

SIGNATURE PAGE TO BROADCAST SERVICES AGREEMENT

IN WITNESS WHEREOF, the Parties have executed this Broadcast Services Agreement as of the date first written above.

Bayshore:

BAYSHORE TELEVISION, LLC

By: 

Name: Bruce Baker

Title: Sole Member

CMG:

COX MEDIA GROUP, LLC

By: _____

Name: Bill Hoffman

Title: Executive Vice President