

Project Faraday Divestitures Term Sheet
September 23, 2020

Terms

Purchase Price: \$30.0 million

Affiliate and Option Agreement: The Asset Purchase Agreement, The Affiliation Agreement and The Option Agreement will be the governing documents for this transaction. The Terms included in this Term Sheet will be reflected in the final versions of the associated agreements.

Affiliate Fee / Household: \$ [REDACTED] (aggregate initial Affiliate Fee of \$ [REDACTED])

The initial Affiliate Fee will be governed by the number of TV households, assumed to be 16.994 million, then shall escalate by [REDACTED]% on each Anniversary of closing. The Affiliate Fee shall be paid on a monthly basis on the first day of each month. The first payment will be for the first full three months of the Affiliate Fee. If closing does not occur on the first day of the month, Seller shall pay a pro rata monthly installment for the number of days remaining in the month of closing plus the three months following closing.

Call Option Exercise Price: The Seller reserves the right to repurchase the stations in part or all at any time. In the event the Seller chooses to repurchase stations, the seller will repurchase stations up to amount permissible under FCC regulations. At the time of the repurchase, the stations to be repurchased will be mutually agreed upon by Buyer and Seller.

The exercise price of the Call Option shall be [REDACTED]

The station-level exercise price will be based on the initial allocated purchase price per station as exhibited in Schedule A.

If the stations are sold to a third party before the 7 year term on the affiliation agreement expires, The Option

Agreement will remain in effect until the affiliation agreement has concluded. Seller agrees that a repurchase of stations cannot result in bank repayment acceleration for the Buyer, or the Seller must remediate.

Breakdown by Market


Schedule A hereto sets forth the portion of the Purchase Price allocated per market and the annual initial Affiliate Fee allocated by market.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

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


SELLER

SCRIPPS MEDIA, INC.

By: 

William Appleton
Executive Vice President and General Counsel


SCRIPPS FARADAY, INC.

By: 

William Appleton
Executive Vice President and General Counsel

BUYER

INYO BROADCAST HOLDINGS, LLC

DocuSigned by:
By: 
Name: John G. Chachas
Title: Authorized Signatory

Schedule A

Market	# of Stations	# of ION Households (MM)	Initial Affiliate Fee (\$MM)	% of Total Affiliate Fee	Purchase Price Allocated by Affiliate Fee (\$MM)
Albany	1	0.5			
Birmingham	1	0.7			
Boise	1	0.3			
Buffalo	1	0.6			
Cleveland	2	1.4			
Denver	1	1.5			
Detroit	1	1.7			
Grand Rapids	1	0.6			
Greensboro	1	0.6			
Hartford	1	0.9			
Honolulu	1	0.4			
Indianapolis	2	1.0			
Kansas City	1	0.9			
Lexington	1	0.4			
Memphis	1	0.6			
Norfolk	1	0.7			
Oklahoma City	1	0.7			
Phoenix	1	1.8			
Providence	1	0.5			
Spokane	1	0.4			
West Palm Beach	1	0.8			
21 Total Markets	23	17.0			