

## **REVISED TIME BROKERAGE AGREEMENT**

This TIME BROKERAGE AGREEMENT (this “Agreement”) is made as of \_\_\_\_\_, 2017 between **SAGAMOREHILL OF VICTORIA, LLC** (“Licensee”) and **QUEEN B TELEVISION OF TEXAS, LLC** (“Programmer”).

### **Recitals**

A. Licensee owns and operates the following television station (the “Station”) pursuant to licenses issued by the Federal Communications Commission (“FCC”):

KVCT(TV), Victoria, Texas (the “Station”).

B. Programmer owns and operates the following television station pursuant to licenses issued by the FCC:

KAVU-TV, Victoria, Texas

C. Licensee desires to obtain programming for the Station, and Programmer desires to provide programming for broadcast on the Station on the terms set forth in this Agreement.

D. The Station is presently operated pursuant to a Time Brokerage Agreement dated January 1, 1995, by and between VictoriaVision, Inc. (“VVI”) and Withers Broadcasting of Texas (“WBT”); as amended and modified by an Addendum to Time Brokerage Agreement, dated 1999, by and between VVI and WBT; assigned by WBT to Saga Broadcasting Corp. (“Saga Corp”) pursuant to an Assignment and Assumption of Time Brokerage Agreement, dated April 1, 1999, by and between W. Russel Withers, Jr., WBT and Saga Corp; assigned by VVI to Surtsey Productions, Inc. (“Surtsey Inc”) pursuant to an Agreement for Assignment and Assumption of Contracts dated May 10, 1999, by and between VVI and Surtsey Inc; as amended and modified by an Amendment to Time Brokerage Agreement dated May 1999 by and between Surtsey Inc and Saga Corp; as amended and modified by an Agreement on Modification of Compensation dated October 15, 2002, by and between Saga Corp and Surtsey Inc; as amended and modified by an Agreement on Modification of Compensation dated January 6, 2003, by and between Saga Corp and Surtsey Inc; assigned by Saga Corp to Saga Broadcasting LLC (“Saga LLC”) pursuant to a Third Amendment to Time Brokerage Agreement dated 2015 by and among Surtsey Inc, Saga Corp and Saga LLC; as amended and modified by an Agreement on Modification of Compensation dated March 22, 2011 by and between Saga LLC and Surtsey Media, LLC (“Surtsey Media”) as successor to Surtsey Inc; as amended and modified by an Extension of Time Brokerage Agreement and Lease Agreement Amendment dated January 31, 2012, by and between Surtsey Media and Saga LLC; as amended and modified by an Agreement on Modification of Compensation dated December 18, 2013, by and between Saga LLC and Surtsey Media.

### **Agreement**

NOW, THEREFORE, taking the foregoing recitals into account, and in consideration of the mutual covenants and agreements contained herein and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, and intending to continue the longstanding relationship between the stations operated by Licensee and Programmer, the parties, intending to be legally bound, hereby agree as follows:

1. Term. The term of this Agreement (the “Term”) will begin on the date of this Agreement and will continue until the date two (2) years thereafter, unless earlier terminated in accordance with the terms of this Agreement or at the closing pursuant to that certain Option Agreement, dated as of today’s date, granted by Licensee to Programmer (the “Option”). Unless otherwise terminated by either Party, the term of this Agreement shall be extended for an additional two (2) year term. Either Party may terminate this Agreement at the end of any term by delivering six-months’ prior written notice to the other. No termination of this Agreement pursuant to this Section 1 will affect either party’s duty to pay any amounts accrued prior to the effective date of that termination.

2. Programming. During the Term, Programmer shall purchase from Licensee airtime on the Station for the price and on the terms specified below, and shall transmit to Licensee programming that it produces or owns (the “Programs”) for broadcast on the Station twenty-four (24) hours per day, seven (7) days per week, excluding, at Licensee’s request, the period from 6:00 a.m. to 8:00 a.m. each Sunday morning (the “Broadcasting Period”). Programmer will transmit, at its own cost, its Programs to the Station’s transmitting facilities in a manner that ensures that the Programs meet technical and quality standards at least equal to those of the Station’s broadcasts prior to commencement of the Term. Notwithstanding anything herein to the contrary, the Station shall continue to broadcast any programming required to be aired under the terms of the Station’s contracts and agreements (the “Station Contracts”).

3. Broadcasting. In return for the payments to be made by Programmer hereunder, during the Term, Licensee shall broadcast the Programs, subject to the provisions of Section 6 below. To the extent reasonably necessary to perform this Agreement, during the Term, Licensee shall provide Programmer with the benefits of any Station Contracts and Programmer shall perform the obligations of Licensee thereunder.

4. Advertising. During the Term, Programmer will be exclusively responsible for the sale of advertising on the Station and on any digital platforms associated with Station and for the collection of accounts receivable arising therefrom, and Programmer shall be entitled to all such collections. All contracts for advertising on the Station which may be entered into by Programmer shall terminate upon the termination of this Agreement.

5. Payments. For the broadcast of the Programs and the other benefits made available to Programmer pursuant to this Agreement, during the Term, Programmer will pay Licensee as set forth on *Schedule A* attached hereto.

6. Control. Notwithstanding anything to the contrary in this Agreement, Licensee shall have full authority, power and control over the operation of the Station and over all persons working at the Station during the Term. Without limiting the generality of the foregoing,

Licensee will: (i) employ a manager for the Station, who will report to Licensee and will direct the day-to-day operations of the Station, and who shall have no employment, consulting, or other relationship with Programmer, (ii) employ a second employee for the Station, who will report and be solely accountable to the manager and (iii) retain control over the policies, programming and operations of the Station. Nothing contained herein shall prevent Licensee from (i) rejecting or refusing programs which Licensee believes to be contrary to the public interest or (ii) substituting programs which Licensee believes to be of greater local or national importance or which are designed to address the problems, needs and interests of the local communities. Without limiting the preceding sentence, Licensee reserves the right to (i) refuse to broadcast any Program containing matter which violates any right of any third party, which constitutes a personal attack, or which does not meet the requirements of the rules, regulations, and policies of the FCC, (ii) preempt any Program in the event of a local, state, or national emergency or (iii) delete any commercial announcements that do not comply with the requirements of the FCC's sponsorship identification policy. Programmer will immediately serve Licensee with notice and a copy of any letters of complaint it receives concerning any Program for Licensee review. Programmer shall cooperate with Licensee to ensure that EAS transmissions are properly performed in accordance with Licensee's instructions.

7. Music Licenses. During the Term, Licensee will obtain and maintain music licenses with respect to the Station.

8. Programs.

(a) Programmer shall ensure that the contents of the Programs conform to all FCC rules, regulations and policies. Programmer shall consult with Licensee in the selection of the Programs to ensure that the Programs' content contains matters responsive to issues of public concern in the local communities, as those issues are made known to Programmer by Licensee. On or before January 7, April 7, July 7 and October 7 of every year during the Term, Programmer shall provide to Licensee a list of significant community issues addressed in the Programs during the preceding quarter and the specific Programs that addressed such issues. On or before January 7, April 7, July 7 and October 7 of every year during the Term, Programmer shall provide to Licensee information needed for Licensee to complete its required children's programming reports.

(b) Licensee shall oversee and take ultimate responsibility with respect to the provision of equal opportunities, lowest unit charge, and reasonable access to political candidates, and compliance with the political broadcast rules of the FCC. During the Term, Programmer shall cooperate with Licensee as Licensee complies with its political broadcast responsibilities, and shall supply such information promptly to Licensee as may be necessary to comply with the political broadcasting provisions of the FCC's rules, the Communications Act of 1934, as amended, and federal election laws. Programmer shall release advertising availabilities to Licensee during the Broadcasting Period as necessary to permit Licensee to comply with the political broadcast rules of the FCC; provided, however, that revenues received by Licensee as a result of any such release of advertising time shall promptly be remitted to Programmer.

10. Expenses. During the Term, Programmer will be responsible for (i) the salaries, taxes, insurance and other costs for all personnel used in the production of the Programs supplied to Licensee, and (ii) the costs of delivering the Programs to Licensee. Subject to Section 5, Licensee will pay for its employees contemplated by Section 6, maintenance of all studio and transmitter equipment and all other operating costs required to be paid to maintain the Station's broadcast operations in accordance with FCC rules and policies and applicable law, and all utilities supplied to its main studio and transmitter sites. Subject to Section 5, Licensee will provide all personnel necessary for the broadcast transmission of the Programs (once received at its transmitter site) and will be responsible for the salaries, taxes, insurance and related costs for all such personnel.

11. Call Signs. During the Term, Licensee will retain all rights to the call letters of the Station or any other call letters which may be assigned by the FCC for use by the Station, and will ensure that proper station identification announcements are made with such call letters in accordance with FCC rules and regulations. Programmer shall include in the Programs an announcement at the beginning of each hour of such Programs to identify such call letters, as well as any other announcements required by the rules and regulations of the FCC.

12. Representations. Programmer and Licensee each represent and warrant to the other that (i) it has the power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, (ii) it is in good standing in the jurisdiction of its organization and is qualified to do business in all jurisdictions where the nature of its business requires such qualification, (iii) it has duly authorized this Agreement, and this Agreement is binding upon it, and (iv) the execution, delivery, and performance by it of this Agreement does not conflict with, result in a breach of, or constitute a default or ground for termination under any agreement to which it is a party or by which it is bound.

13. Events of Default.

(a) The occurrence of any of the following will be deemed an Event of Default by Programmer under this Agreement: (i) Programmer fails to timely make any payment required under this Agreement; (ii) Programmer fails to observe or perform any other obligation contained in this Agreement in any material respect; or (iii) Programmer breaches any representation or warranty made by it under this Agreement in any material respect.

(b) The occurrence of the following will be deemed an Event of Default by Licensee under this Agreement: (i) Licensee fails to observe or perform any obligation contained in this Agreement in any material respect; or (ii) Licensee breaches any representation or warranty made by it under this Agreement in any material respect.

(c) Notwithstanding the foregoing, any non-monetary Event of Default will not be deemed to have occurred until fifteen (15) calendar days after the non-defaulting party has provided the defaulting party with written notice specifying the Event of Default and such Event of Default remains uncured. Upon the occurrence of an Event of Default, and in the absence of a timely cure pursuant to this Section, the non-defaulting party may terminate this Agreement, effective immediately upon written notice to the defaulting party. If this Agreement is



Telephone: 706-922-5644  
Facsimile: 706-534-5810

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

Wiley Rein LLP  
1776 K Street, NW  
Washington, DC 20006  
Attention: Robert D. Benton  
Telephone: 202-719-7142  
Facsimile: 202-719-7049

If to Programmer: c/o Evening Telegram Company d/b/a Morgan Murphy Media  
7025 Raymond Road  
Madison, WI 53719  
Attention: Brian R. Burns  
Telephone: [\_\_\_\_\_] ]  
Facsimile: [\_\_\_\_\_] ]

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

Richard Burns, Esq.  
VP of Business Affairs and General Counsel  
6227 E. Villa Cassandra Way  
Cave Creek, AZ 85331  
Telephone: [\_\_\_\_\_] ]  
Facsimile: 480-488-7443

18. Miscellaneous. This Agreement may be executed in separate counterparts, each of which will be deemed an original and all of which together will constitute one and the same agreement. No amendment or waiver of compliance with any provision hereof or consent pursuant to this Agreement shall be effective unless evidenced by an instrument in writing signed by the party against whom enforcement of such amendment, waiver, or consent is sought. This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership, agency relationship, or joint venture between the parties. Neither party shall be authorized to act as an agent of or otherwise to represent the other party. The construction and performance of this Agreement shall be governed by the laws of the State of Delaware without giving effect to the choice of law provisions thereof. This Agreement (including the Schedule hereto) constitutes the entire agreement and understanding among the parties hereto with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to the subject matter hereof, including without limitation the Prior Agreement. The provisions of this Agreement are and shall be for the exclusive benefit of the parties 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 third party any right, remedy or claim, legal or equitable, under or by reason of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns. This Agreement and the

Option embody the entire agreement between the parties with respect to the subject matter hereof and thereof, and there are no other agreements, representations, or understandings, oral or written, between them with respect thereto. (b) Notwithstanding anything to the contrary in this Agreement, except with respect to each party's indemnification obligations under this Agreement, in no event shall any party hereto be liable for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with applicable law.

20. 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.

20. Certifications. Licensee certifies that it maintains ultimate control over the Station's facilities including, specifically, control over the Station's finances, personnel and programming. Programmer certifies that this Agreement complies with the provisions of 47 C.F.R. Sections 73.3555(b) and (c).

21. Nondiscrimination. In accordance with Paragraphs 49 and 50 of United States Federal Communications Commission Report and Order No. FCC 07-217, Programmer shall not discriminate in any contract for advertising on the Station on the basis of race or gender, and all such contracts shall be evaluated, negotiated and completed without regard to race or gender. Programmer shall include a clause to such effect in all contracts for advertising on the Station, and if requested shall provide written confirmation of compliance with such requirement.

[SIGNATURE PAGE FOLLOWS]

**SIGNATURE PAGE TO**  
**REVISED TIME BROKERAGE AGREEMENT**

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first set forth above.

LICENSEE: **SAGAMOREHILL OF VICTORIA, LLC**

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

PROGRAMMER: **QUEENB TELEVISION OF TEXAS, LLC**

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

## SCHEDULE A TO TBA

During the first year of the Term, Programmer shall (i) pay Licensee the sum of \$6,000 per calendar month (the "Base Fee") (each such payment due in advance on the first day of each such month), *plus* (ii) reimburse Licensee for the operating and maintenance expenses of the Station incurred by Licensee in the ordinary course of business (each such reimbursement due upon invoice), including Four Hundred Dollars (\$400) per month for Licensee's accounting services. During the second year of the Term, the Base Fee shall increase to \$6,500 per month.