

PRODUCTION AGREEMENT

Between

KOBI-TV

And

KMVU-TV

PRODUCTION AGREEMENT

TABLE OF CONIEN IS

	Page
1. Agreement.....	1
2. Term.....	1
3. Staffing.....	1
4. Delivery of Program	1
5. GRAPHIC LOOK OF PROGRAM	2
6. Graphics, Set Construction.....	1
7. Copyright	2
8. News Updates	2
9. Music Fees	2
10. Associated Press, WSI	2
11. CNN, FOX News Edge.....	2
12. Archives	2
13. Election Coverage.....	3
17. Production Fee	4
18. Termination of this Agreement.....	5
19. Representations and Warranties of KMVU-TV	5
20. Representations and Warranties of KOB1-TV	5
21. Consents and Approvals of Environmental Authorities	6
22. Liability Insurance	6
23. Confidentiality	6
24. Mutual Indemnification	6
25. No Broker.....	6
26. Fees and Expenses	7
27. Notices	7
28. Governing Law	7

29.	Counterparts.....	7
30.	Headings	7
31.	Entire Agreement.....	1
32.	Signatories.....	7
33.	Representation.....	7
34.	Severability	8
35.	Survival.....	8
36.	Assignment	8
37.	No Joint Venture or Partnership	8

PRODUCTION AGREEMENT

THIS PRODUCTION AGREEMENT (the "Agreement") is effective as of March 13, 2006, between California Oregon Broadcasting Inc., KOB-TV, and Broadcasting Licenses, LP, KVVU-TV.

I. RECITALS

KVVU-TV has requested, and KOB-TV has agreed, to provide KVVU-TV a thirty-five (35) minute newscast (the "Program") Monday through Friday at 10:00 p.m., effective March 13, 2006.

The newscast will have a program and commercial format determined by KVVU in consultation and agreement with KOB-TV.

NOW, THEREFORE, in consideration of the covenants, agreements, representations, and warranties contained in this Agreement, the parties agree as follows:

1. Agreement. The above recitals are hereby incorporated into this Agreement.

2.

3.

4. Delivery of Program. KOB-TV shall be responsible for the delivery of the Program to KVVU-TV via a fiber link provided by KVVU-TV.

4.1 KOB-TV shall provide a dial-in telephone access, so that the KVVU-TV Master Control operator can listen to the "director track" of the Program and anticipate commercial breaks.

4.2

5. Graphic Look of Program. KOB1-TV and KMVU-TV will collectively create the graphic look of the Program. The Program will be known as "Fox 26 News at TEN."

7. Copyright. Copyright of the Program shall belong to KOB1-TV.

8. News Updates. KOB1-TV shall provide several nightly news updates to run between 7:00 p.m. and 10:00 p.m. promoting the Program. The timing and number of updates will be subject to availabilities in KMVU-TV programming.

9.

12. Archives. KMVU-TV will record and archive all newscasts provided by KOB1-TV. Should this agreement be terminated, and KMVU-TV partner with another in-market broadcast facility to have news produced for KMVU-TV, any archived material provided by KOB1-TV for KMVU-TV may be used by KMVU-TV for a 30-day transitional period from the

official termination day of this agreement. After that 30-day period, archived material originated by KOB-TV may not be used in any form by KMVU-TV.

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[REDACTED]

12. Election Coverage. KOB-TV and KMVU-TV shall jointly develop a program plan for election coverage, taking into consideration the Prime Time election schedules of NBC and FOX. From time to time, KOB-TV's election returns may be running simultaneously on both television stations.

13. Program Anchors. KOB-TV will make Program anchor(s) available for personal appearances on behalf of KMVU-TV and to promote the Program. KOB-TV and KMVU-TV shall mutually determine the time, place, and number of personal appearances.

[REDACTED]

15.1 Either party may cancel this Agreement _____ ten
notice if the other is in material breach of the terms and conditions of this Agreement;
however, any such claim of material breach must be substantiated in a written notice to
the other detailing the material breach and allowing _____ are
said breach. If the breach is not _____
cancelled at the expiration of an _____
termination with cause.

16. Representations and Warranties of KOB-TV. KOB-TV (California Oregon
Broadcasting, Inc.) is a corporation duly organized, validly existing, and in good standing under
the laws of the state of Oregon and is duly qualified to transact business and to enter into this
Agreement.

17. Representations and Warranties of KMOV-TV. KMOV-TV (Broadcasting
Licenses, LP.) is a limited partnership duly organized, validly existing, and in good standing
under the laws of the state of Oregon and is duly qualified to transact business and to enter into
this Agreement.

18. Consents and Approvals of Governmental Authorities. No consent, approval, authorization or filing or registration with any governmental or regulatory authority is required to be made or obtained by KOB-TV or KVVU-TV in connection with the execution, delivery, and performance of this Agreement.

19. Liability Insurance. KVVU-TV and KOB-TV each represent that they have adequate insurance to cover any claims arising out of the Program and shall, upon request by the other, provide a copy of any such insurance policy.

20. Confidentiality. The parties agree to keep the terms of this Agreement confidential except that either party may provide a copy of this Agreement to its accountants, lawyers, Boards of Directors or Managing Members, and any other party who has a "need to know" the terms and conditions of this Agreement.

21. Mutual Indemnification. The parties agree to indemnify each other and hold each other harmless in respect of any and all claims, losses, damages, liabilities, and expenses incurred in connection with the broadcast of the Program. Each party shall be solely responsible for its actions and activities with regard to the Program. In the event that one party is assessed with any liability arising out of the Program solely by virtue of the actions of the other, the non-responsible party is entitled to indemnification, including reasonable attorney fees and costs from the other party. KOB-TV shall save and indemnify KVVU-TV free and harmless from any claims alleging libel or defamation or other liability, or other claims resulting from the contents of the Program supplied by KOB-TV. This duty shall not apply to content supplied by CNN or Fox Edge. If KVVU-TV receives a complaint or request for retraction involving any aspect of the Program, KVVU-TV shall immediately contact KOB-TV through its General Manager, Bob Wise, to advise it of such claim so that KOB-TV and KVVU-TV may mutually consider the advisability of running a retraction for the protection of KOB-TV and KVVU-TV as provided by ORS 31.200 through ORS 31.225.

22. No Broker. The parties represent to each other that there were no brokers or agents involved in the formulation or broadcast of the Program, and no fees are owed to anyone in connection therewith.

23.

24. Notices. All notices, requests, demands, and other communications required or permitted hereunder shall be in writing and shall be deemed to have been given if delivered by hand, overnight courier, or mailed certified or registered mail with postage prepaid as follows:

If to KOB1-TV:

Mr. Robert Wise, General Manager
KOB1-TV
125 S. Fir Street
Medford, OR 97501

If to KMVU-TV:

Mr. Cary Jones, General Manager
Mr. Brian Brady, Managing Member
KMVU-TV
820 Crater Lake Ave. Suite 105
Medford, OR 97504

25. Governing Law. This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the laws of the state of Oregon. In the event of any dispute arising out of this Agreement, the parties agree to arbitration pursuant to the rules of the American Arbitration Association. Any arbitration proceedings shall be held in Medford, Oregon.

26. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

27. Headings. The headings contained in this Agreement are inserted for convenience only and shall not constitute a part hereof.

28. Entire Agreement. This Agreement embodies the entire agreement and understanding of the parties with respect to the subject matter contained herein and supersedes all prior agreements and understandings between the parties with respect to the subject matter. There are no restrictions, promises, warranties, covenants, or undertakings other than those expressly set forth or referred to herein.

29. Signatories. Each person executing this Agreement on behalf of a party represents to the other party that he or she is authorized to do so.

30. Representation. Each party has retained or has had the opportunity to retain legal counsel in connection with this Agreement.

31. Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provisions of the Agreement, and this Agreement shall be enforced in all respects as if the invalid or unenforceable provisions were omitted. If any particular provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unreasonable, unlawful, or unenforceable, such provision shall be modified to the extent necessary for such provision to be legally enforceable as to the fullest extent permitted by applicable law.

32. Survival. Notwithstanding any specific references in this Agreement to the survival of provisions, the parties agree that the indemnification provisions shall survive the termination of this Agreement.

33. Assignment. Neither this Agreement nor any rights or obligations created hereunder may be assigned without the express written consent of both parties. This Agreement shall be binding on the parties hereto; their successors, and assigns.

34. No Joint Venture or Partnership. This Agreement shall not be construed as, and the parties do not intend to create, a joint venture, partnership, or any relationship other than as stated in this Agreement.

DATED this ___th day of February 2006.

California Oregon Broadcasting, Inc.
dba KOB1-TV

By 
Its 2/3/06

Broadcasting Licenses, LP
dba KMVU-TV

By 
Its 2/2/06