

## LOCAL MARKETING AGREEMENT

This Local Marketing Agreement (“Agreement”) is made and entered into as of April 30, 2014, by and between Denver Digital Television, LLC, a Colorado limited liability company (“Licensee”) and Channel 3 TV Company, LLC, a Delaware limited liability company (“Broker”).

WHEREAS, Licensee is the Federal Communications Commission (“FCC”) licensee of digital low power Class-A television station KSBS-CD (Facility ID 168750) licensed to Denver, Colorado and operating on over-the-air channel 41, virtual channel 10 (the “Station”), providing coverage within the Denver, Colorado Nielsen Designated Market Area (“DMA”) as specified in FCC License No. BLDTA-20130528AIK (the “Coverage Area”) and for which an application to renew has been filed and is pending under File No. BRDTA-20131024AIX.

WHEREAS, Licensee is engaged in the business of television broadcasting, has time available on the Station, and wishes to contract with Broker for the exclusive right to program all of the digital capacity of the Station not subject to valid programming or marketing agreements that predate this Agreement, twenty-four hours a day, seven days a week. The digital channel capacity made exclusively available to Broker hereunder shall be known as the (“Digital Capacity”), which capacity shall not include the digital capacity leased pursuant to any other preexisting agreements (Bulk Airtime Purchase Agreements).

WHEREAS, Broker has experience in television programming in the DMA and elsewhere;

WHEREAS, simultaneously with the execution of this Agreement, Licensee and Broker are entering an Asset Purchase Agreement (the “APA”) that, subject to FCC consent, would assign the Station from Licensee to Broker; and

WHEREAS, Broker is willing to purchase time from Licensee to present programming on the Station throughout the Coverage Area, subject to the limitations set forth herein.

**NOW, THEREFORE**, for and in consideration of the mutual covenants herein, and incorporating the preamble statements above, the parties agree as follows:

1. Term. Commencing on May 1, 2014 (the “Commencement Date”) at 9:00 a.m. local Mountain Time, Licensee agrees to make the Station’s Digital Capacity available exclusively to Broker for the broadcast of Broker’s television programs (the “Programming”). The term of this Agreement shall continue from the Commencement Date until the Closing of the APA transaction, or unless otherwise terminated as permitted hereunder (the “Term”).

2. Consideration. As consideration for the air time made available hereunder, and Licensee’s broadcast of the Programming throughout the Coverage Area, Broker shall make payment to Licensee as set forth in **Schedule I**.

3. Station Facilities.

3.1 Programming Time. The Station Digital Capacity shall be made available 24 hours per day, seven days a week, except for program preemptions, suspensions and cancellations as provided herein and downtime occasioned by routine maintenance. Licensee shall ensure that any Station broadcast is transmitted over-the-air throughout the Coverage Area.

3.2 Programming Delivery. Broker is responsible for delivering all Programming to the Station via satellite signal, fiber optic link or other reliable method. Any and all special devices or fees associated with the receipt and/or delivery of this broadcast signal shall be Broker's responsibility. Broker shall ensure that all programs conform with the Broadcast Station Programming Policy Statement, as provided in Section 4.1 hereof, the Communications Act of 1934, as amended (the "Act") and the rules, regulations and policies of the FCC (collectively, the "Communications Laws").

3.3 Force Majeure. Any failure or impairment of the Station's facilities or any delay or interruption in the broadcast of any Programming, or failure at any time to furnish facilities, in whole or in part, due to a cause beyond the control of Licensee, shall not constitute a breach of this Agreement. Licensee shall exercise commercially reasonable efforts to remedy any such conditions.

4. Station Programming Policies.

4.1 Broadcast Station Programming Policy Statement and Communications Laws. Licensee has adopted and will enforce a Broadcast Station Programming Policy Statement (the "Policy Statement"), a copy of which appears as Attachment II hereto and which may be amended in a reasonable manner from time to time by Licensee upon notice to Broker. Broker agrees and covenants that all programming, advertising spots, promotional material and announcements that it provides for broadcast on the Station shall comply in all material respects with the Policy Statement and the Communications Laws. If Licensee determines in good faith that any programming does not comply with the Policy Statement (or any portion thereof) or the Communications Laws (or any portion thereof) or is contrary to the public interest, it may, upon prior written notice to Broker (to the extent time permits such notice), suspend or cancel such program without liability to Broker. Licensee will use reasonable efforts to provide such written notice to Broker prior to the suspension or cancellation of such program. Other than those content restrictions set forth in this Section 4.1, the Programming content shall be at Broker's discretion and may include on-air requests and/or solicitations for donations to Broker's non-profit endeavors.

4.2 Copyright Act. Broker represents and warrants to Licensee that Broker has full authority to broadcast its Programming on the Station's Digital Capacity and shall not broadcast any material in violation of the Copyright Act. All copyrighted works included on any program shall either be licensed by an applicable performing or composers' rights organization, in the public domain; or licensed to Broker directly by the copyright holder. Broker shall be responsible for all copyright or license fees associated with the Programming.

4.3 Sales/Revenue. Broker shall retain all revenues derived from its Programming. Should Licensee preempt any program as provided in Sections 4.1 or 6.1 herein and replace it with programming of its choosing (“Licensee Programming”), Licensee shall retain all revenues from the sale of advertising time during such Licensee Programming.

4.4 Sponsorship Identification. Broker agrees that it will not accept any consideration, compensation, gift or gratuity of any kind whatsoever, regardless of its value or form, including, but not limited to, a commission, discount, bonus, material, supplies or other merchandise, services or labor (collectively “Consideration”) for the inclusion of any matter as part of any program or commercial matter supplied by Broker to Licensee for broadcast on the Station, whether or not pursuant to written contracts or agreements between Broker and merchants or advertisers, unless the party making or accepting such Consideration is identified in the program for which Consideration was provided as having paid for or furnished such Consideration, in accordance with the Communications Laws.

4.5 Cooperation on Programming. Upon Licensee’s request, Broker shall provide Licensee, in a timely manner, with all information necessary to enable Licensee to prepare and file records and reports required by the FCC or other local, state or federal government entities, including but not limited to quarterly issues/programs lists, Children’s Television Reports, and annual DTV Ancillary/Supplemental Services Reports. Broker shall promptly provide Licensee with any complaint or comments received regarding any Programming.

4.6 Station Identification and EAS. Broker shall cooperate with Licensee to ensure compliance with the FCC’s rules regarding the broadcast of hourly station identification announcements and required Emergency Alert System (“EAS”) tests. Licensee shall be solely responsible for obtaining, maintaining and operating EAS equipment for the Station, and for compliance with all FCC requirements related to EAS operation, testing and record keeping.

4.7 Licensee Control of Programming. Licensee shall maintain such rights to suspend or preempt any Programming as provided in Sections 4.1 and 6.1 herein, and replace it with Licensee Programming.

4.8 Programming Quality; Special Content Requirements. The production and signal resolution values associated with Broker’s Programming shall be consistent with professional commercial television broadcasts and in compliance with the Communications Laws. Broker shall comply with the Communications Laws governing broadcast content, including but not limited to the requirement to broadcast an average of three (3) hours per week of “core” children’s programming and maintaining commercial limits in children’s programming. Broker agrees to provide Licensee with records of compliance with the FCC’s children’s programming requirements and commercial limits on a quarterly basis, within three days after the end of each calendar quarter of the Term covering the prior quarter for inclusion in the Station’s public inspection file.

4.9 Bulk Airtime Purchase Agreements. Licensee shall remain solely responsible for Licensee's obligations and the enforcement of any obligations due to Licensee under Bulk Airtime Purchase Agreements that predate this Agreement, including without limitation, consideration due and those programming, content and compliance requirements governing the programming being provided thereunder. During the Term, subject to the APA, Licensee shall not enter into additional Bulk Airtime Purchase Agreements or renew, extend, or modify existing Bulk Airtime Purchase Agreements. Under the direction of Licensee, Broker shall assume day-to-day operations and client relationships related to the Bulk Airtime Purchase Agreements.

4.10 Ancillary/Supplemental Services; Fee. In the event that Broker utilizes any Station Digital Capacity for services defined by the FCC as ancillary or supplemental, it shall provide notice of same to Licensee and no later than December 1<sup>st</sup> of each year during the Term, remit to Licensee five percent (5%) of gross revenues received by Broker for such ancillary/supplemental services.

4.11 Cable or Satellite Carriage. During the Term, Broker shall be entitled to the full benefit of any Licensee cable or satellite carriage rights for the Station's main or other channels within the Digital Capacity, whether such rights arise from the FCC's mandatory carriage rules or pursuant to privately negotiated retransmission consent agreements.

## 5. Expenses and Liabilities.

5.1 Cost of Operation. Licensee shall be responsible for payment of all costs associated with the day-to-day operation of the Station, including maintenance, repair and replacement expenses of the Station in the ordinary course, electric, phone, studio rent, tower rent, taxes, fees, salary, insurance and utility payments.

5.2 Liabilities. Broker shall be responsible for all liabilities, debts and obligations of Broker based upon the purchase of air time on the Station under this Agreement. Broker also shall maintain, during the Term, Liability Insurance covering its Programming, in the amount of no less than one million dollars (\$1,000,000) insuring against perils including, but not limited to, defamation, libel, slander, infringement of copyright, title or slogan, violation of privacy or unfair competition. Such insurance will name Licensee as additional insured, and Broker shall deliver a certificate of such insurance no later than fifteen (15) days after the first day of the Term.

5.3 Employees. Licensee shall be responsible for and maintain at least two full time Station employees, in accordance with the Communications Laws. The names and titles of these employees as of the Commencement Date are listed in **Schedule II**. Broker shall be responsible for any personnel required to produce and deliver the Programming and for sales of airtime or advertising.

6. Operation of Station.

6.1 Station License. The Station operates in accordance with the license in FCC File No. BLDTA-20130528AIK (the "Station License") (and pending renewal as noted above). Throughout the Term, Licensee shall (i) maintain the validity of the Station License, including without limitation timely filing, prosecuting and obtaining required renewals of same, (ii) make the Station and all related equipment available to Broker for operation with the maximum authorized facilities, and (iii) remain qualified in all respects to be the Station Licensee. To meet FCC Class A requirements, Broker shall ensure that Programming on the Station's main channel is provided at least 18 hours per day, and that an average of at least three (3) hours per week of Station programming is locally produced.

6.2 Licensee Control of Station Operations. Notwithstanding any other provision of this Agreement, Licensee shall have full authority and power over the operation of the Station during the Term. Licensee shall retain control over the policies, programming and operations of the Station; including, without limitation: (i) the right to decide whether to accept or reject any programming or advertisements, (ii) the right to preempt any programs not in the public interest or in order to broadcast a program deemed by Licensee to be of greater national, regional or local interest, and (iii) the right to take any other actions necessary for compliance with the Communications Laws. Licensee will use its best efforts to give Broker reasonable notice in writing of its intention to preempt Broker's Programming. Licensee also shall retain the right to break into Broker's Programming without prior notice in case of an emergency.

6.3 Main Studio. Licensee shall maintain and staff a Station main studio during the Term in a location that complies with the Communications Laws, and shall provide Broker access to the studio so that it may exercise its rights under this Agreement.

7. Indemnification.

7.1 Licensee Indemnification. Broker shall indemnify and hold Licensee, its officers, directors, agents, employees, members, shareholders and partners harmless against any and all claims, damages, forfeitures, fines, penalties, liabilities, costs, and expenses (including by way of example and without limitation, reasonable attorneys' fees) (individually or collectively, "Damages") arising out of: (a) investigations into, or violation(s) or alleged violation(s) of, any Communications Law(s), libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, infringement of copyrights or proprietary rights and any other violations of the rights of any third party, resulting from the broadcast of any and all of the Programming on the Station; (b) any action taken by Broker, its officers, directors, agents, employees, members, shareholders and partners or its parent entities (and its officers, directors, agents, employees, members, shareholders and partners) with respect to the Programming, or any failure by Broker, its officers, directors, agents, employees, members, shareholders and partners or its parent entities (and its officers, directors, agents, employees, members, shareholders and partners) to take any action with respect to the Programming, including but not limited to Broker's payment and performance of obligations and liabilities, unless resulting from a failure by Licensee to perform hereunder; or

(c) Broker's breach of any of its representations, warranties or covenants set forth in this Agreement. Without limitation upon the foregoing, should Broker or its officers, directors, agents, employees, members, shareholders and partners or its parent entities (and its officers, directors, agents, employees, members, shareholders and partners) cause any damages to any of Licensee's facilities, Broker shall promptly pay or reimburse Licensee for any such damages. Broker's obligation to hold Licensee harmless under this Section shall survive a termination of this Agreement until the expiration of all applicable statutes of limitations.

7.2. Broker Indemnification. Licensee shall indemnify and hold Broker and its officers, directors, agents, employees, members, shareholders and partners harmless against any and all Damages arising out of: (a) investigations into, or violation(s) or alleged violation(s) of, any Communications Law(s), libel, slander, illegal competition or trade practice, infringement of trademarks, trade names, or program titles, violation of rights of privacy, and infringement of copyrights or proprietary rights and any other violations of the rights of any third party, resulting from Licensee's broadcast of Licensee Programming; (b) any activities of Licensee or its employees or agents with respect to the Station, or any failure by Licensee or its employees or agents to take any action with respect to the Station, including but not limited to Licensee's payment and performance obligations and liabilities, unless resulting from a failure by Broker to perform hereunder; (c) Licensee's breach of any of its representations, warranties or covenants set forth in this Agreement; or (d) the Bulk Airtime Purchase Agreements. Licensee's obligation to hold Broker harmless under this Agreement shall survive any termination of this Agreement until the expiration of all applicable statutes of limitations.

## 8. Termination.

8.1. Failure to Pay Monthly Fee. If Broker fails to pay the Monthly Fee (as that term is defined in Attachment I hereto) within ten (10) days after it is due, Licensee may immediately terminate this Agreement upon written notice to the Broker.

8.2. Termination Upon Sale of Station. This Agreement shall automatically terminate at the Closing of the Station sale to Broker. In the event the Station is sold other than pursuant to the APA, Licensee shall have the right to either assign this Agreement to the purchaser of the Station, or terminate the Agreement at the closing of the sale, *provided that* Licensee shall provide at least sixty (60) days advance notice of such assignment or termination.

8.3. Material Coverage Area Change. If the Station Coverage Area is materially changed, for whatever reason, Broker shall have the right to terminate this Agreement upon ten (10) days written notice to Licensee. In the event Broker elects to terminate this Agreement under this Section 8.3, all amounts owed to Licensee as of the effective date of the termination must be paid to Licensee in full.

9. Mutual Representations, Warranties and Covenants. Both Licensee and Broker represent that they are legally qualified, empowered and able to enter into this Agreement, and that the execution, delivery and performance hereof shall not constitute a breach or violation of any agreement, contract or other obligation to which either party is subject or by which it is

bound. Without limiting the foregoing:

(a) Broker certifies that this Agreement does not violate the FCC's multiple ownership rules, 47 C.F.R. §73.3555; and

(b) Licensee certifies that it maintains ultimate control of the Station, including control over its finances, personnel and programming.

10. Notices. All necessary notices and requests permitted or required under this Agreement shall be in writing and shall be sent (i) by e-mail to the e-mail addresses listed herein, (ii) mailed by certified mail, return receipt requested, postage prepaid, to the addresses listed herein, or (iii) sent for overnight delivery via a nationally-recognized overnight delivery service to the addresses listed herein. Such notices and requests shall be deemed to have been given (i) if sent by facsimile, upon sender's receipt of a facsimile confirmation sheet, (ii) if mailed, three (3) days after being sent, or (iii) if sent for overnight delivery, one (1) day after being sent.

If to Licensee: Denver Digital Television, LLC  
PO Box 1471  
Evergreen, CO 80471  
email: ddrucker@wildblue.net

with a copy to: James M. Talens  
6017 Woodley Road  
McLean, VA 22101  
Tel: 703.850.1600 or 703.241.1144  
email: jtalens@verizon.net

If to Broker: Channel 3 TV Company, LLC  
3001 S. Jamaica Ct  
Suite 210  
Aurora, CO 80014  
email: garmstrong@ch3tv.com

with a copy to: Charles Gross  
Channel 3 TV Company, LLC  
1645 W. Fullerton Ave.  
Chicago, IL 60614  
email: cgross@newswebcorporation.com

11. Modification and Waiver. No modification of any provision of this Agreement shall in any event be effective unless it is in writing and then such modification shall be effective only in the specific instance and for the purpose for which given.

12. Construction. This Agreement shall be construed in accordance with the Act, the laws of the State of Colorado and the rules, regulations and policies of the FCC.

13. Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and permitted assigns. This Agreement shall not be assigned (by contract, operation of law or otherwise) without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld; provided, however, that Broker may assign its rights and obligations under this Agreement to a qualified purchaser approved by Licensee pursuant to Section 27 of the APA and either party may assign and delegate its rights hereunder to a party that controls, or is controlled by, or is under common control with such party, and that is qualified under applicable FCC requirements, upon notice to such party; provided further, that no such assignment shall release the notifying party from any of its obligations created pursuant to this Agreement.

14. Counterpart Signatures. This Agreement may be signed in one or more counterparts, each of which shall be deemed a duplicate original, binding on the parties hereto notwithstanding that the parties are not signatory to the original or the same counterpart. This Agreement shall be effective as of the date first above written.

15. Entire Agreement. This Agreement constitutes the entire agreement between the parties, and there are no other agreements, representations, warranties or understanding, oral or written, between them with respect to the subject matter hereof. No alteration, modification or change of this Agreement shall be valid unless by like written instrument executed by an authorized principal.

16. No Partnership or Joint Venture Created. Nothing in this Agreement shall be construed to make Licensee and Broker partners or joint venturers or to afford any rights to any third party other than as expressly provided herein.

17. Severability. Subject to the provisions hereof, in the event any provision contained in this Agreement is held to be invalid, illegal or unenforceable, such holding shall not affect any other provision hereof and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

18. Nondiscrimination. Broker hereby certifies consistent with Paragraphs 49 and 50 of FCC Report and Order, MB Docket No. 07-294 et al, FCC No. FCC 07-217 and with the related FCC Third Erratum, FCC No. 10-49, that Broker shall not discriminate in any contract for advertising on the Station on the basis of race or ethnicity, and all such contracts shall be evaluated, negotiated and completed without regard to race or ethnicity. Broker shall include a clause to such effect in all contracts for advertising on the Station.



IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Commencement Date above written.

DENVER DIGITAL TELEVISION, LLC

By: \_\_\_\_\_  
Name: Penny Drucker  
Title: Manager

CHANNEL 3 TV COMPANY, INC.

By: \_\_\_\_\_  
Name: Greg Armstrong  
Title: President

## ATTACHMENT II

### **Broadcast Station Programming Policy Statement**

The following sets forth the policies generally applicable to the presentation of programming and advertising over the Station. All programming and advertising provided by the Broker for broadcast on the Station must conform to these policies. This Policy shall be in addition to any other programming requirements set out in the Agreement and is not intended to be an exhaustive list of all policies with which the Broker must adhere.

#### Public Interest

Any program provided by the Broker (regardless of its original source) must serve the public interest, convenience and necessity.

#### Sponsorship Identification

When money, service, or other valuable consideration is either directly or indirectly paid or promised as part of an arrangement to transmit any programming by the Broker, the Broker shall cause to air, as part of its broadcast, an announcement indicating (1) that the matter is sponsored, either in whole or in part; and (2) by whom or on whose behalf the matter is sponsored. Products or services furnished to the Broker in consideration for an identification of any person, product, service, trademark or brand name shall be identified in this manner. In the case of any political or controversial issue broadcast for which any material or service is furnished as an inducement for its transmission, an announcement shall be made at the beginning and conclusion of the broadcast stating (1) the material or service that has been furnished; and (2) the person(s) or association(s) on whose behalf the programming is transmitted. However, if the broadcast is 5 minutes in duration or less, the required announcement need only be made either at its beginning or end.

#### Payola/Plugola

The Broker shall not accept or agree to accept from any person any money, service, or other valuable consideration for the broadcast of any matter unless such fact is disclosed to the Station so that all required sponsor identification announcements can be made. All persons responsible for Broker's programs must, from time to time, execute such documents as may be required by Station management to confirm their understanding of and compliance with the FCC's sponsorship identification requirements.

#### Political Broadcasting

To the extent any of Broker's programs or advertisements qualify as "uses" of the Station by legally qualified candidates for elective office, such program or advertisement shall be in accordance with the Act and the FCC's rules and policies.

#### Obscenity and Indecency

The Broker's programs shall not contain any obscene material. Material is deemed to be obscene if the average person, applying contemporary community standards in the local community, would find that the material, taken as a whole, appeals to the prurient interest;

depicts or describes in a patently offensive way sexual conduct specifically defined by applicable state law; and taken as a whole, lacks serious literary, artistic, political or scientific value. The Broker's programs, to the extent broadcast outside of the periods of time prescribed by the FCC, shall not contain indecent material. Material is deemed to be indecent if it includes language or material that, either "fleeting" or in context, depicts or describes, in terms patently offensive as measured by contemporary community standards for the broadcast medium, sexual or excretory activities or organs.

#### Hoaxes

The Broker's programs shall not knowingly contain false information concerning a crime or catastrophe.

#### Lottery

The Broker's programs shall not contain any material or advertising concerning any lottery, except as permitted by the Act, the rules and regulations of the FCC, and Colorado State law.

#### Advertising

The Broker shall comply with all federal, state and local laws concerning advertising, including without limitation, all laws concerning misleading advertising, and the advertising of alcoholic beverages.

#### Programming Prohibitions

Knowing broadcast of the following types of programs and announcements is prohibited:

*False Claims.* False or unwarranted claims for any product or service.

*Unfair Imitation.* Infringements of another advertiser's rights through plagiarism or unfair imitation of either program idea or copy, or any other unfair competition.

*Commercial Disparagement.* Any unfair disparagement of competitors or competitive goods.

*Profanity.* Any programs or announcements that is slanderous, obscene, profane, vulgar, repulsive or offensive, as evaluated by Station management.

*Violence.* Any programs which are excessively violent.

*Unauthenticated Testimonials.* Any testimonials which cannot be authenticated.

#### Credit Terms

The Broker's programs or advertising shall not contain credit terms that are not in full compliance with the rules and regulations of the Federal Trade Commission.