

## NEWS PRODUCTION AGREEMENT

This News Production Agreement ("Agreement") is made this 20<sup>th</sup> day of May, 2010, by and between Gray Television Group, Inc., broadcast operator and licensee of WILX-TV, 500 American Road, Lansing, MI 48911 ("WILX") and Journal Broadcast Group, Inc., broadcast operator of WSYM-TV FOX 47, 600 St. Joseph, Lansing, MI 48933 ("WSYM"). Together, WILX and WSYM shall be referred to as the "Parties."

### WITNESSETH

**WHEREAS**, on June 22, 2004, WILX and WSYM entered into an agreement, pursuant to which WILX has produced live feed newscasts for broadcast on WSYM; and

**WHEREAS**, the parties extended this agreement on September 16, 2009; and

**WHEREAS**, the Parties wish to enter into this Agreement to succeed the June 24, 2004 agreement and September 16, 2009 extension and establish the revised terms set forth herein.

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements set forth herein, and for other valuable and good consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Agreement to Produce Program.** During the Term of this Agreement, as defined below, WILX shall produce a 60 minute, video-news program [REDACTED] to air on WSYM-TV from 10:00 p.m. to 11:00 p.m., seven (7) days a week, and a thirty (30) minute video-news program [REDACTED] to air on WSYM from 5:30 p.m. to 6:00 p.m., Monday through Friday. The news programming in its entirety, exclusive of commercial breaks, shall be hereinafter referred to as the "Program".
  - A. The Program shall consist of local and regional news, sports and weather, with such national and international news as may be properly included in the Program without violating any copyright or license agreement. The sale of all commercial inventory that is broadcast adjacent to and during the Program will be handled by WSYM, in its sole discretion. WILX shall have responsibility for production of the Program, including without limitation: (i) WILX shall provide the staff necessary to produce the Program; (ii) a minimum of one (1) primary news anchor associated with and dedicated to the Program; (iii) one (1) primary meteorologist associated with and dedicated to the Program. No primary anchor or meteorologist shall be hired by WILX to appear on air for the Program without the prior written consent of WSYM, not to be unreasonably withheld, and primary anchor or meteorologist shall be terminated by WILX from the Program without prior consultation with WSYM.

- B. Except as otherwise provided herein, all of the expenses of the production of the Program shall be the responsibility of WILX.
- C. WSYM shall provide the items listed in Exhibit A, which shall be used exclusively for the Program and which shall be promptly returned to WSYM upon termination of this Agreement. The graphics, duratrans and mic flags in the Program's news set shall display the WSYM newscast name and logo. The WSYM newscast name and logo shall be determined by WSYM, but shall not conflict with or be confusingly similar to any names or logos used by WILX. The Program shall in all respects be branded as FOX 47 news programming.
- D. WILX acknowledges that WSYM's broadcast of particular Program episodes may be delayed from time to time as a result of overruns beyond WSYM's control, such as, but not limited to, overruns resulting from sports programming, a speech by the President, etc., which may result in WSYM broadcasting such episodes at a later time than during their regularly scheduled time. In addition, WILX acknowledges that the Program may be pre-empted by WSYM for the broadcast of programs which WSYM believes to be of greater local, regional or national importance or which are designed to address the problems, needs and interests of WSYM's service area and that WSYM may reject or refuse to broadcast any portion of the Program which WSYM believes to be contrary to the public interest.
- E. WILX shall provide daily promotional materials for the Program, which, at a minimum, shall consist of two (2) promos per day for the 10:00 – 11:00 PM Program. Such promotional materials shall be mutually agreed upon and may include the voice and picture of the Program's anchor(s) and meteorologist(s). WILX and WSYM shall each cross-promote the newscasts of the other on terms mutually agreed.
- F. For each of the February, May, and November sweeps which occur during the Term of this Agreement, WILX shall provide WSYM with a minimum of three (3) locally produced pieces for rating purposes. These pieces shall be produced by the Program anchor(s) whenever possible.
- G. WILX shall provide WSYM access to at least four (4) news and four (4) sports stories each day for WSYM to post to its website, which shall be provided with all necessary rights and licenses such that the posting of the stories will not violate any copyright or license agreement, or any other rights or ownership. The Program anchor(s) will reference the WSYM website in instances where information related to a Program story is posted on WSYM's website or with regard to any other bona fide news story, feature, etc.
2. **Term.** Except as set forth in paragraph 17, the term of this Agreement shall be January 1, 2011 through December 31, 2012. WILX and WSYM may mutually agree

in writing to renew this Agreement for an additional year, until December 31, 2013, pursuant to the terms set forth herein or other as otherwise negotiated.

3. **Exclusivity.** The Program shall be exclusive to WSYM. Accordingly, WILX shall not provide the Program to any other broadcaster, cable system, other video provider, internet provider, or any other person or other entity. The Program will be comprised of: (i) materials provided by third parties ("Third Party Footage"), including news services and music sources, (ii) studio footage featuring anchors and reporters from the WILX staff devoted to the Program, ("Studio Footage"), and (iii) field segments which may feature reports by anchors or reporters from the WILX staff devoted to the Program or reporters from the staff of either WILX or WSYM ("Field Footage"). WILX and WSYM agree that some anchors and reporters will appear on both WILX and WSYM newscasts. WSYM shall not provide the Program, or portions thereof, to any third party or affiliate, including any television broadcaster, cable system, or video provider, unless such cable system or video provider transmits or carries the signal of WSYM in its entirety. WSYM may provide Studio Footage and/or Field Footage to FOX News Channel or CNN (or any additional or substitute network affiliate). WSYM shall be permitted to retransmit the Program, including portions thereof, on WSYM digital subchannels, WSYM's website, and any other non-broadcast media outlet. WSYM shall have the right to rebroadcast the Program, or any portion thereof, from 9:00 – 10:00 AM, Monday through Friday, and from 6:00 – 7:00 AM, Saturdays and Sundays during the Term of this Agreement without further compensation to WILX. WILX shall not broadcast any newscast from 5:30 – 6:00 PM Monday through Friday or from 10:00 – 11:00 PM Monday through Sunday during the Term of this Agreement.
4. **Transmission.** Each Program will be: (i) produced ready for broadcast, including graphics, bumpers (music going in and out) and teasers at the start of the newscast; (ii) transmitted to WSYM through fiber optic cable; and (iii) compliant with all requirements of the Communications Act of 1934, as amended (the "Act"), including closed captions as required, and all other applicable laws, statutes, ordinances, and regulations. The promotion materials will also be delivered via fiber optic cable. WSYM shall provide and be responsible for the cost of a one-way fiber optic link for transmission and distribution of the Program.
5. **Representations, Warranties and Covenants.** The parties represent, warrant and covenant to the other, as of the date of this Agreement, as follows:
  - A. Gray Television Group, Inc. and WILX represent and warrant as follows:
    - 1) Gray Television Group, Inc. is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and has full power and authority to own its property and to carry out all of the transactions contemplated by this Agreement;

- 2) All requisite corporate resolutions and other authorizations necessary for the execution, delivery, performance and satisfaction of this Agreement have been duly adopted and complied with, and Michael J. King, Vice President & General Manager, WILX-TV, has the authority to execute this Agreement;
- 3) Gray Television Group, Inc. is in compliance with all laws, rules and regulations governing the business, ownership and operations of WILX that are material to this Agreement and it is not required to secure consents or approvals of governmental authorities in connection with this Agreement;
- 4) By entering into and fulfilling this Agreement, Gray Television Group, Inc. will not violate its Articles of Incorporation or Bylaws nor violate any material agreement, contract, decree, order, law, rule or regulation of any government authority applicable to WILX;
- 5) No document or other information disclosed by WILX in connection with this Agreement contains an untrue statement of material fact or omits to state a material fact necessary in order to make the statements contained herein not misleading.
- 6) Gray Television Group, Inc. will not accept any money or other consideration, or promise to be paid any money or other consideration, for the inclusion of any matter as a part of any programming or commercial material to be supplied to WSYM by Gray Television Group, Inc. for broadcast on WSYM and shall at all times comply with the requirements of Sections 317 and 507 of the Act and related rules.

B. Journal Broadcast Group, Inc. and WSYM represent and warrants as follows:

- 1) Journal Broadcast Group, Inc. is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and has full power and authority to own its property and to carry out all of the transactions contemplated by this Agreement;
- 2) All requisite corporate resolutions and other authorizations necessary for the execution, delivery, performance and satisfaction of this Agreement have been duly adopted and complied with, and Gary Baxter, Vice President and General Manager, WSYM-TV, has the authority to execute this Agreement;
- 3) Journal Broadcast Group, Inc. is in compliance with all laws, rules and regulations governing the business, ownership and operations of WSYM that are material to this Agreement and they are not required to

secure consents or approvals of governmental authorities in connection with this Agreement;

- 4) By entering into and fulfilling this Agreement, Journal Broadcast Group, Inc. will not violate its Articles of Incorporation or Bylaws nor violate any material agreement, contract, decree, order, law, rule or regulation of any government authority applicable to WSYM;
- 5) No document or other information disclosed to WILX in connection with this Agreement contains an untrue statement of material fact or omits to state a material fact necessary in order to make the statements contained herein not misleading.

6. **Indemnification.** Each of the parties agrees as follows:

- A. Gray Television Group, Inc., and WILX shall indemnify, hold harmless, and reimburse Journal Broadcast Group, Inc. and WSYM and each of their affiliates, officers, directors, agents, successors, assigns, and employees from all claims, damages, costs and expenses, including, without limitation, interest, penalties, court costs and reasonable attorneys' fees and expenses, resulting from: (a) any Programs, announcements, advertisements or other material produced or provided by WILX to WSYM pursuant to this Agreement, whether broadcast on WSYM, posted on WSYM's website, included in any WSYM Internet stream, or otherwise; (b) any breach by Gray Television Group, Inc. or WILX of any representation, warranty, covenant, obligation or other agreement contained in this Agreement; or (c) any failure of Gray Television Group, Inc., WILX, or the Program to comply with any applicable laws, statutes, ordinances or regulations. The foregoing indemnities shall survive the termination of this Agreement.
- B. Journal Broadcast Group, Inc. and WSYM shall indemnify, hold harmless, and reimburse Gray Television Group, Inc., and WILX and each of their affiliates, officers, directors, agents, successors, assigns, and employees from all claims, damages, costs and expenses, including, without limitation, interest, penalties, court costs and reasonable attorneys' fees and expenses, resulting from: (a) any Programs, announcements, advertisements or other material produced or provided by WSYM to WILX pursuant to this Agreement or inserted into the Program by Journal; (b) any breach by Journal Broadcast Group, Inc. or WSYM of any representation, warranty, covenant, obligation or other agreement contained in this Agreement; or (c) any failure of Journal Broadcast Group, Inc. or WSYM to comply with any applicable laws, statutes, ordinances or regulations. The foregoing indemnities shall survive the termination of this Agreement.

7. **News Services.** WILX will have use of any material from licensed news services in the production of the Program. WILX may negotiate one contract from such news services covering both the Program and WILX's newscasts in order to obtain more favorable pricing, which contract(s) shall be entered into only with the prior consent of

WSYM (which consent shall not be unreasonably withheld) and subject to mutual agreement by WILX and WSYM on cost sharing. WSYM shall reimburse WILX for any such license fee or the incremental portion thereof attributable to the Program as mutually agreed by WSYM and WILX.

8. **Weather System.** At its own expense and option, WSYM will maintain in fully functional condition its weather workstation, software and delivery line so as to be compatible with WILX's weather system in place at the time of this Agreement and as it may be updated by WILX from time to time. In the event that WSYM's current weather software and/or hardware becomes inoperable, WILX shall be relieved from maintaining the scope and breadth of weather reporting contemplated by the Agreement and the parties' practices until such time as WSYM provides a fully functional system.
9. **Music Licenses and Performing Rights.** The parties understand that the performing rights in any music contained in the materials provided by WSYM are or may be controlled by ASCAP, BMI or SESAC. Further, materials provided by WSYM for use in the Program may be subject to copyright or other intellectual property protection. It shall be the responsibility of WSYM to obtain all necessary licenses, performing rights, copyright use rights, or other resources from such entities for any materials provided by WSYM to WILX in connection with the production of the Program and a sync license, if required, for WSYM's theme music. WILX shall be responsible to obtain, and pay for, all necessary licenses, and other rights, including, but not limited to, performing rights, copyright use rights, or other resources from ASCAP, BMI or SESAC or other third parties for any materials, including the Program or other material supplied under this Agreement, that is not provided by WSYM, which shall include all necessary rights necessary to permit WSYM to legally exploit the material in any manner contemplated by this Agreement.
10. **Rights and Duties of Successors and Assigns.** This Agreement may be assigned by either party only with the prior written consent of the other party, except that no such consent will be required for an assignment in connection with the sale of the assets of either WILX or WSYM. Notwithstanding the foregoing, upon the transfer of WILX, whether by sale of assets or otherwise, WILX shall immediately report the transfer to WSYM in writing and cause the successor to WILX to assume in writing the obligations of WILX under this Agreement. Upon the transfer of WSYM-TV, whether by sale of assets or otherwise, WSYM shall immediately report such transfer in writing, and cause the successor of WSYM to assume in writing the obligations of WSYM under this Agreement. This Agreement shall be binding upon the successors and proper assigns of both parties.
11. **Breaking News.** WSYM will have access via fiber optic cable to import WILX's locally produced breaking news reports, such as, but not limited to, severe weather advisories. WILX will promptly notify WSYM of such breaking news reports and will promptly provide the feed to WSYM. The breaking news feed shall be identified with WSYM's logo and/or the logos of both WSYM and WILX.



Accordingly, WSYM and WILX each shall designate a manager who shall coordinate production of the Program.

**15. Federal Communications Commission Regulations and Rules.**

A. This Agreement shall be subject to the Communications Act of 1934, as amended ("The Act") and to all present and future regulations of the Federal Communications Commission ("FCC"). WSYM shall have ultimate control over and responsibility for the broadcast of the Program, and therefore shall have full responsibility for compliance with the Act and the FCC's rules in connection with any broadcast of the Program. WILX's responsibilities hereunder shall cease with respect to a Program upon the delivery thereof pursuant to Section 4 above.. The compensation due to WILX under Section 11 shall be payable in full notwithstanding whether WSYM fails or refuses to broadcast, or rejects or preempts, all or any portion of a Program for any reason,

B. WSYM 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 and the Federal Election Commission. During the Term, WILX shall cooperate with WSYM as WSYM complies with its political broadcast responsibilities, and shall supply such information promptly to WSYM as may be necessary to comply with the political time record keeping and lowest unit charge requirements of federal law.

**16. Force Majeure.** If either party is prevented from performing its obligations as provided herein by reason of an act of God, fire, flood, war, public disaster or by virtue of any action of the Federal Communications Commission, as the case may be, such failure shall not be a breach of this Agreement and, to the extent that performance is prevented or delayed, such condition shall be a valid excuse for delay in performance or non-performance of such obligations. WILX will not be required to pay back any amounts due under this Agreement during any force majeure event that prevents WILX from producing the Program. In the event such force majeure event prevents WILX from producing the Program for a period in excess of two (2) consecutive days, WILX or WSYM shall have the right to terminate this Agreement by providing written notice to the other party. In the event of such termination, WSYM shall be entitled to a pro rata refund of any revenues paid to WILX pursuant to this Agreement.

**17. Termination and Breach.** This Agreement may be terminated upon the occurrence of any of the following:

A. Expiration of the original Term of this Agreement or of any extension;



- B. Mutual agreement of the parties. At any time during this agreement, either party may exercise an early termination of this agreement with a written notice to that effect given to the other party a minimum of twelve (12) months in advance of desired termination date. Early termination rights will be effective upon signing date of this agreement and apply to all previous agreements and extensions.
- C. By the non-breaching party upon a material breach of this Agreement by the other party that has remained uncured for ten (10) days following written notice by the non-breaching party. Upon such an occurrence, the non-breaching party may terminate this Agreement and be awarded such damages as may be allowed by law.

18. **Notices.** The delivery of any statement or the giving of any notice provided for herein or required herein may be effective by (i) overnight delivery service with a reputable carrier, or (ii) depositing with the United States Postal Service or in any one of its depositories by registered or certified mail, postage prepaid, with return receipt requested, addressed as follows or as may be directed in writing by one party to the other within the continental United States:

If to WILX:

WILX -TV  
500 American Road  
Lansing, MI 48911  
Attention General Manager

With a copy to:

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Chief Counsel  
Gray Television Group, Inc.  
1750 K. Street N.W., Ste. 1200  
Washington D.C. 20006

If to WSYM:

WSYM-TV  
600 W. St. Joseph Street  
Lansing, MI 48933  
Attention: General Manager

With a copy to:  
General Counsel  
Journal Communications, Inc.  
333 W. State Street

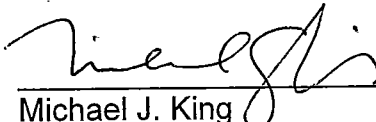
PO Box 661  
Milwaukee, WI 53201-0661

19. **Severability**. Any provisions under applicable law or regulations which supercede or invalidate any provision hereof shall not affect the validity of this Agreement, and the remaining provisions shall remain in full force and effect and be enforced as if the invalid provision were deleted.
20. **Applicable Law and Venue**. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan (excluding choice of law provisions), in all respects, including matters of construction, validity and performance. Jurisdiction and venue over any dispute between the parties related to this Agreement shall be exclusively in the court for Ingham County, Michigan.
21. **Survival** Sections 5, 6, 9, 19, and 20 will survive the expiration or termination of this Agreement.
22. **Waiver**. Any waiver as to any terms and conditions of this Agreement shall not operate as a future waiver of the same terms and conditions, or prevent the future enforcement of any of the terms or condition thereof.
23. **Entire Agreement**. This instrument contains the entire Agreement of the parties and may not be changed except by an amendment in writing duly executed by both parties.
24. **Counterparts**. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Faxed copies of this Agreement and faxed signature pages shall be binding and effective as to all parties and may be used in lieu of the original Agreement, and, in particular, in lieu of original signatures, for any purpose whatsoever.

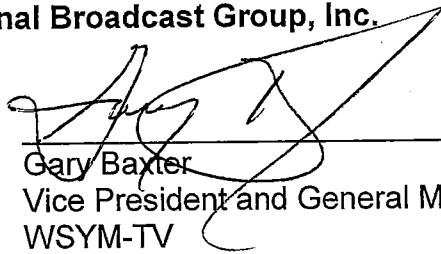
*[Remainder of page blank, signature page follows.]*

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

**Gray Television Group, Inc.**

By:   
\_\_\_\_\_  
Michael J. King  
Vice President & General Manager  
WILX-TV

**Journal Broadcast Group, Inc.**

By:   
\_\_\_\_\_  
Gary Baxter  
Vice President and General Manager  
WSYM-TV

**EXHIBIT A**  
**Equipment and Software Provided to WILX by WSYM**  
**(To be returned at expiration of the Agreement in good working condition, normal wear and tear accepted.)**

- Fox 47 Set Duratrans
- Deko Thunder Browse software.
- Mic Flags
- News Graphics
- Fiber Feed (Provided by WSYM but cannot be returned)