

## JOINT SALES AGREEMENT

THIS JOINT SALES AGREEMENT (this “Agreement”) is entered into as of May 31, 2016, by and between WEEK Television, Inc., an Illinois corporation (“WEEK”), and Four Seasons Peoria, LLC, a Delaware limited liability company (“Station Licensee”).

### WITNESSETH:

**WHEREAS**, Station Licensee is the FCC licensee of television station WAOE(TV), Peoria, IL (Facility ID 52280) (the “Station”);

**WHEREAS**, reference is made to that certain Advertising Representation Agreement dated as of September 1, 2005, by and between Granite and Station Licensee, as amended by the First Amendment to Advertising Representation Agreement dated as of July 19, 2008, the Second Amendment to Advertising Representation Agreement dated as of January 1, 2012, the Fourth Amendment to Advertising Representation Agreement dated as of May 1, 2013, and the Fifth Amendment to Advertising Representation Agreement dated as of September 29, 2014 (collectively, the “Advertising Representation Agreement”), pursuant to which Granite and Station Licensee agreed for Granite to provide certain sales services to the Station;

**WHEREAS**, reference is made to that certain Services Agreement dated as of September 1, 2005, between Granite Broadcasting Corporation (“Granite”) and Station Licensee, as amended by the First Amendment to Services Agreement dated as of July 19, 2008, the Second Amendment to Services Agreement dated as of September 9, 2011, the Third Amendment to Services Agreement dated as of January 1, 2012, and the Fourth Amendment to Services Agreement dated as of September 29, 2014 (collectively, the “Services Agreement”), pursuant to which Granite and Station Licensee agreed for Granite to provide certain programming and other services to the mmunicati**WHEREAS**, reference is made to that certain Antenna and Combiner Lease dated as of

**WHEREAS**, reference is made to that certain Antenna and Combiner Lease dated as of July 7, 2007, by and between Granite and Station Licensee providing for Station Licensee’s lease of space in a building and on a communications tower and Station Licensee’s lease of certain equipment, each as more particularly described therein (the “Lease”);

**WHEREAS**, reference is made to that certain Option Agreement dated as of September 1, 2005, by and between Granite and Station Licensee, as amended by the First Amendment to Option Agreement dated as of July 19, 2008 (the “Option Agreement”);

**WHEREAS**, reference is made to that certain Asset Purchase Agreement, dated as of July 27, 2015, between Granite Broadcasting Corporation and certain of its subsidiaries listed therein and Quincy Newspapers, Inc. (“Quincy”), parent company of WEEK (the “Purchase Agreement”), pursuant to which WEEK, as assignee of Quincy, with the prior consent of the FCC, acquired the FCC licenses and other assets of and, as of November 1, 2015, owns and operates television station WEEK-TV, Peoria, IL (Facility ID No. 24801) (the “Service Station”);

**WHEREAS**, pursuant to the Purchase Agreement and the transactions contemplated therein, Granite assigned to WEEK, and WEEK assumed, each of the Services Agreement, the

Lease, and the Advertising Representation Agreement, but Granite did not assign, nor did WEEK assume, the Option Agreement;

**WHEREAS**, in view of the important efficiencies to be obtained by the Station through services provided by the Service Station, and the role of such services in the business development of the Station, the parties hereto desire to enter into this Agreement as of the date hereof;

**WHEREAS**, it is the parties' expectation that WEEK, with its experience and operating infrastructure, will maintain or improve the overall efficiency of the Station's operating processes and reduce costs, thereby helping the Station to serve the television viewing public in the market; and

**WHEREAS**, the parties now desire to terminate the Advertising Representation Agreement as of the Commencement Date and enter into this Joint Sales Agreement, all as described herein;

**NOW, THEREFORE**, in consideration of the above recitals and of the mutual agreements and covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be bound legally, agree as follows:

**1. Defined Terms.**

**1.1** For purposes of this Agreement:

**"Affiliate"** means, with respect to any Person, (a) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with such Person, or (b) an officer or director of such Person or of an Affiliate of such Person within the meaning of clause (a) of this definition. For purposes of clause (a) of this definition, without limitation, (i) a Person shall be deemed to control another Person if such Person (A) has sufficient power to enable such Person to elect a majority of the board of directors (or comparable governing body) of such Person, or (B) owns a majority of the beneficial interests in income and capital of such Person, and (ii) a Person shall be deemed to control any partnership of which such Person is a general partner.

**"Applicable Law"** means any of the Communications Act, the FCC Rules, and all other federal, state and local constitutions, laws, statutes, codes, rules, regulations, ordinances, judgments, orders, decrees and the like of any governmental entity, including common law.

**"Commencement Date"** means August 1, 2016.

**"Communications Act"** means the Communications Act of 1934, as amended, as in effect from time to time.

**"FCC"** means the Federal Communications Commission or any successor agency thereto.

**"FCC Rules"** means the rules and published policies of the FCC as in effect from time to time.

**"Market"** means the Nielsen Designated Market Area that encompasses the Station.

“Monthly Net Revenue” means the amount of Net Revenue for the immediately preceding calendar month.

“Net Revenue” means the amount of Commercial Inventory sold by WEEK and billed to third parties, less any commission amounts payable to agencies and national sales representatives.

“Network” means any national television network that is party to any network affiliation agreement to which Station Licensee also is a party with respect to the Station.

“Person” includes, without limitation, natural persons, corporations, business trusts, associations, companies, joint ventures, and partnerships.

“Third Party Claim” means any action, suit, claim or legal, administrative, arbitration, mediation, governmental or other proceeding, or investigation, other than any brought by a party to this Agreement or an Affiliate of a party to this Agreement.

**1.2** In addition to the defined terms in the preamble, recitals and Section 1.1 hereof, the following is a list of terms used in this Agreement and a reference to the section or schedule hereof in which such term is defined:

<b>Term</b>	<b>Section</b>
Advertising Representation Agreement	Recitals
Commercial Inventory	Section 3.2
Current Budget	Section 4.5
Defense Counsel	Section 11.3(a)
Defense Notice	Section 11.3(a)
Direct Claim	Section 11.3(e)
Indemnified Party	Section 11.3(a)
Indemnifying Party	Section 11.3(a)
Initial Budget	Section 4.5
Lease	Recitals
Loss	Section 11.1
Policy Statement	Section 3.10
PSAs	Section 3.8
Sales Commissions	Section 3.7
Services Agreement	Recitals
Station	Recitals
Station Licensee	Recitals
WEEK	Recitals
WEEK Advertisements	Section 3.2
WEEK Assignee	Section 15(a)
WEEK Indemnified Party	Section 11.2
WEEK-TV	Recitals
Station Indemnified Party	Section 11.1
Term	Section 7.1
Website Advertising	Section 3.9

**2. General Principles Governing this Agreement.** All arrangements contemplated by this Agreement will be subject to, and are intended to comply in all respects with, the Communications Act, the FCC Rules and all other Applicable Law. Station Licensee agrees that, throughout the Term, it shall comply with the Communications Act, the FCC Rules and all other Applicable Law applicable to this Agreement. WEEK agrees that, throughout the Term, and to the extent it is so subject, WEEK shall comply with the Communications Act, the FCC Rules and all other Applicable Law applicable to its obligations under this Agreement. The arrangements made pursuant to this Agreement shall not be deemed to constitute a partnership, joint venture, or agency relationship between the parties, and this Agreement shall be construed so as to ensure that WEEK shall not have any right to control the policies, operations, management or any other matter relating to the Station.

**3. Non-Attributable Sale of Commercial Time.**

**3.1 Termination of Existing Advertising Representation Agreement.** Effective as of 12:01 am on the Commencement Date, the parties agree that the Advertising Representation Agreement is terminated and replaced with this Agreement. This termination shall not affect the rights or obligations of the parties related to payment of monies owed which have accrued under the Advertising Representation Agreement as of the Commencement Date.

**3.2 Station Sales.** Effective as of 12:01 am on the Commencement Date, subject to Station Licensee's ultimate control, authority, and power, Station Licensee appoints WEEK as its exclusive agent to market and sell fifteen percent (15%) per week, and no more than fifteen percent (15%) per week, of all broadcast time available for commercial announcements and paid programming on the Station (collectively, "Commercial Inventory"). The parties agree that to comply with the fifteen percent (15%) threshold described herein, WEEK shall market and sell all local spot advertising (including political advertising) on the Station ("WEEK Advertisements"), and the remaining eighty-five percent (85%) of the Station's weekly Commercial Inventory shall be sold by Station Licensee, the Station's Networks, and the Station's syndicators. Station Licensee shall sell all long-form paid programming. The parties agree to discuss and negotiate in good faith any long-form paid programming commercial minutes above or below the amount that is currently aired on the Station as of the date of this Agreement. Station Licensee shall retain ultimate authority with respect to establishing or setting rates for WEEK Advertisements and for marketing and selling the Commercial Inventory not sold by WEEK. WEEK may sell the WEEK Advertisements in combination with the advertisements of WEEK-TV; provided, however, that under no circumstances may (i) WEEK require advertisers to purchase time on the Station and WEEK-TV or any other station together, or (ii) place WEEK promotional material on the Station.

**3.3 Revenue, Billing and Collections.** WEEK shall be responsible for billing and collecting monies owed for the WEEK Advertisements directly from purchasers and shall use best efforts to collect monies owed from WEEK Advertisements, but shall not be responsible for any uncollected amounts or other billing or collection services. WEEK shall not incur any liability to Station Licensee for any unsold portions of the WEEK Advertisements or the advertising announcements sold by any other party sold during the Term. Station Licensee shall pay all fees, commissions and other amounts due under any sales agreements in existence prior to the Commencement Date, Station Licensee's employment agreements and all of Station Licensee's other agreements, including but not limited to any national sales representation fees.

**3.4 Exclusivity.** This agreement for the sale of Station's advertising time as detailed in Section 3.2 above is exclusive to WEEK. Station Licensee shall not enter into another advertising representation agreement for the sale of WEEK Advertisements (as defined above). Station Licensee reserves the right to enter into an advertising representation agreement or other agreement for the sale of long form paid programming time that is Station Licensee's responsibility.

**3.5 Listing.** WEEK may, in its discretion, list WEEK as the local sales representative for Station Licensee with respect to the Station in applicable trade listings and in its own advertising and promotional material. However, such listing shall under no circumstances indicate or imply that WEEK or its licensee it is the licensee of Station.

**3.6 Records and Reports.** Station Licensee shall keep internal records and logs sufficient to confirm the placement of all WEEK Advertisements accepted by Station Licensee. WEEK shall keep written records relating to its advertising representation services for the Station consistent with WEEK's past practices. WEEK shall provide Station Licensee with monthly sales and accounts receivable aging reports in a form consistent with past practice. WEEK shall maintain and deliver to Station all records and information required by the FCC to be placed in the public inspection and political files of the Station pertaining to the broadcast of political programming and advertisements. Station Licensee and WEEK shall work together to provide weekly traffic and continuity reports with respect to advertising sold for broadcast on the Station in a form consistent with past practice.

**3.7 Sales Commissions.** During the Term, WEEK shall be entitled to the commissions ("Sales Commissions") set forth in Schedule 3.7.

**3.8 PSA Placements.** WEEK acknowledges that the Station has in the past provided time for the promotion of public service organizations in the form of public service announcements ("PSAs") and agrees to cooperate with Station Licensee concerning the broadcast of PSAs. WEEK and Station Licensee shall cooperate in good faith concerning the placement of the PSAs to be broadcast on the Station; provided, however, that Station Licensee shall be ultimately responsible for selecting, obtaining and scheduling PSAs for broadcast on the Station. The parties further agree that PSAs will be aired in a manner that appropriately balances the public interest in such PSAs and the broadcast of WEEK Advertisements.

**3.9 Station Websites.** WEEK shall have the exclusive right, but no obligation, to sell any and all advertising on the Station websites, including display advertising that appears in the same pageview as, or adjacent to, editorial content on such website, or advertising embedded into audio or visual content posted or otherwise displayed on such websites (including text ads, banner ads, instream ads, pre-roll ads, wallpaper ads, video ads and sponsorships) ("Website Advertising").

**3.10 Compliance with Law and Policy.** All WEEK Advertisements shall comply with applicable federal, state and local regulations and policies, including commercial limits in children's programming. In the event that any candidates for public office are entitled to purchase time on the Station, WEEK shall provide such access as reasonably required in accordance with the Communications Laws. Station Licensee shall have the right to preempt any such WEEK Advertisements to present program material of greater local or national importance. Station Licensee may reject any WEEK Advertisements if Station Licensee reasonably determines that the

broadcast or publication of such material would violate Applicable Law or would otherwise be contrary to the public interest. Station Licensee shall promptly notify WEEK of any such rejection, preemption, or rescheduling and shall cooperate with WEEK in efforts to fulfill commitments to third-parties. WEEK shall ensure that the WEEK Advertisements are in compliance with the terms of this Agreement and the Policy Statement set forth in Schedule 3.10.

**3.11 Non-Attribution.** It is the intention of WEEK and Station Licensee that, subject to Section 13 below, the sales services to be provided by WEEK hereunder are to be of a quality and amount that render the Station non-attributable, within the meaning of Applicable Law, to WEEK and its parent and affiliated entities.

**3.12 Rates.** Subject to the ultimate control of Station Licensee, the rates charged for the WEEK Advertisements shall be at commercially reasonable rates considering market conditions and the audience ratings for the Station, provided that WEEK shall comply with all political advertising lowest unit rate requirements. Subject to the preceding sentence, WEEK may sell, package or market the WEEK Advertising without restriction in the course of its advertising representation services hereunder.

**4. Station Licensee Responsibilities.** Station Licensee, at its expense, shall be responsible for and perform the following obligations with respect to the business and operations of the Station during the Term, in accordance with and subject to the following provisions:

**4.1 Station Operations.** Nothing in this Agreement relieves or is intended to relieve Station Licensee of its ultimate responsibility for operating and maintaining the Station. Station Licensee shall be responsible for ensuring that all advertisements comply with the Communications Act, the FCC Rules and all other Applicable Law in effect from time to time, including, but not limited to, the Station's compliance with all political broadcasting and sponsorship identification requirements set for in Applicable Law, and for complying with programming supplier agreements.

**4.2 Licensee Control.** Station Licensee shall continue to maintain full control over the operations of the Station, including management, programming, editorial policies, finances, employees of Station Licensee and Station Licensee-controlled facilities. Station Licensee shall be responsible for, and shall comply in all material respects with, all applicable provisions of the Communications Act, the FCC Rules and all other Applicable Law with respect to the operation of the Station. Station Licensee shall file in a timely and complete manner all reports and applications required to be filed with the FCC or any other governmental body with respect to the Station.

**4.2 Insurance.** Station Licensee shall maintain in effect policies of insurance for the assets and the business of the Station in accordance with good industry practices.

**4.3 Licensee Maintenance of Facilities; WEEK Access to Facilities.**

(a) Station Licensee shall use, operate, and maintain all of its assets in a commercially reasonable manner. If any loss, damage, impairment, confiscation or condemnation of any of such assets occurs, Station Licensee shall use commercially reasonable efforts and cooperate with WEEK to repair, replace, or restore the assets to their prior condition as soon thereafter as possible, and Station Licensee shall use the proceeds of any claim under any insurance policy to

repair, replace or restore any of the assets of the Station that are lost, damaged, impaired or destroyed.

(b) Station Licensee shall ensure that WEEK's personnel are afforded reasonable access to, and have the right to use, without charge, the assets, facilities, and properties used by the Station for the purpose of conducting the activities WEEK deems necessary to fulfill its obligations and enjoy its rights under this Agreement; provided, however, that, when on the property of the Station, WEEK personnel shall be subject to the direction and control of Station Licensee and Station Licensee's personnel.

**4.4 Access to Information.** Station Licensee shall provide WEEK, upon request, with access to such data and information WEEK reasonably deems necessary to perform its advertising representation services hereunder, including, but not limited to, overnight ratings and other audience research information. WEEK shall keep such information confidential if Station Licensee identifies such information as confidential, in writing.

**4.5 Budget.** Schedule 4.5 sets forth the initial monthly budget for the Station for the period of the Commencement Date through December 31, 2016 ("Initial Budget"). If this Agreement should be extended, the parties shall meet regularly, at least once per year, to establish monthly budgets for each year following the Initial Budget period (when in effect, the "Current Budget").

**4.6 Interruption of Operations.** If, for any reason, the service of the Station is interrupted or the Station does not operate full time at its maximum authorized facilities, Station Licensee shall fully cooperate with WEEK in providing make goods or other accommodations to advertisers affected by such interruption.

**4.7 Preservation of FCC Licenses and Agreements; Other Compliance.**

(a) Station Licensee shall not take any action or unreasonably omit to take any action that would be reasonably likely to result in a (i) revocation, non-renewal or material impairment of any of the FCC licenses used or useful in the operation of the Station, (ii) material adverse effect upon any Station's transmitters, antennae or other material assets included in the Station's transmission facilities or (iii) material breach or default under the terms of any of the agreements to which Station Licensee is a party on and as of the date hereof.

(b) Station Licensee shall ensure that such records and information required by the FCC Rules are timely placed in the public inspection files of the Station pertaining to the sale of political programming and advertisements (including WEEK Advertisements that are required to be placed in the public inspection files), in accordance with the FCC Rules, and to the sale of sponsored programming addressing political issues or controversial issues of public importance, in accordance with the FCC Rules.

**4.6 No Other Liabilities.** During the Term, Station Licensee shall not: (a) engage in any business other than the business of owning and operating television stations; (b) incur any liabilities or obligations, except those liabilities and obligations incurred in connection with its business conducted in compliance with clause (a) of this Section 7.8; or (c) file a voluntary petition in bankruptcy, any petition or answer seeking for itself any reorganization, arrangement,

composition, readjustment of debt, liquidation or dissolution or similar relief under any present or future insolvency statute, law or regulation of any jurisdiction; petition or apply to any tribunal for any receiver, custodian or any trustee for substantially all of its properties or assets; file any answer to any such petition admitting or not contesting the material allegations of any such petition sufficient to support the grant or approval of any such order, judgment or decree; seek, approve or consent to any such proceeding or in the appointment of any trustee, receiver, sequestrator, custodian, liquidator or fiscal agent for it or substantially all of its properties or assets; or take any action for the purpose of effecting any of the foregoing; or be the subject of an order entered appointing any such trustee, receiver, custodian, liquidator or fiscal agent.

**5. Access to Information.** In order to ensure compliance with the Communications Act, the FCC Rules and other Applicable Law, WEEK shall furnish to Station Licensee upon request any information that is reasonably necessary to enable Station Licensee timely to prepare any records or reports required by the FCC or other governmental entities. Nothing in this Section 5 shall entitle Station Licensee to review the internal corporate or financial records of WEEK. Station Licensee shall keep confidential any information obtained from WEEK in connection with this Agreement, except as and to the extent required by Applicable Law. If this Agreement is terminated, Station Licensee shall return to WEEK all information obtained by it from WEEK in connection with this Agreement. This Section 5 shall survive any termination or expiration of this Agreement for a period of three (3) years.

**6. Costs.** WEEK shall be solely responsible for the salaries, taxes and related costs for all personnel employed by WEEK who are used by WEEK in the performance of WEEK's obligations hereunder, including, without limitation, any publicity or promotional expenses incurred in performing its obligations hereunder.

**7. Term of Agreement.**

**7.1 Term.** This Agreement shall be deemed effective and the term hereof shall commence on and as of the Commencement Date and such term (the "Term") shall continue until the December 31, 2016, unless earlier terminated in accordance with Section 10 below.

**7.2 Agreement to Negotiate.** The parties agree to negotiate in good faith a renewal or modification of this Agreement after the end of the Term.

**8. Representations and Warranties of Station Licensee.** Station Licensee represents and warrants to WEEK as follows:

**8.1 Authorization and Binding Obligation.** The execution, delivery, and performance of this Agreement by Station Licensee have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and delivered by Station Licensee and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.



**8.2 Absence of Conflicting Agreements or Consents.** The execution, delivery, and performance by Station Licensee of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizational documents of Station Licensee; (b) to the actual knowledge of Station Licensee or its Affiliates, does not conflict with, result in a breach of, or constitute a default under any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to Station Licensee; (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of any agreement, instrument, license, or permit to which Station Licensee is a party or by which it is bound as of the date of this Agreement; and (d) will not create any claim, lien, charge, or encumbrance upon any of the assets of the Station owned by Station Licensee.

**9. Representations and Warranties of WEEK.** WEEK represents and warrants to Station Licensee as follows:

**9.1 Authorization and Binding Obligation.** The execution, delivery, and performance of this Agreement by WEEK have been duly authorized by all necessary organizational action on the part of such party. This Agreement has been duly executed and delivered by WEEK and constitutes the legal, valid, and binding obligation of such party, enforceable against it in accordance with its terms except as the enforceability thereof may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws of general application affecting the enforcement of creditors' rights or by general principles of equity limiting the availability of equitable remedies.

**9.2 Absence of Conflicting Agreements and Required Consents.** The execution, delivery, and performance by WEEK of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (a) will not conflict with the organizing documents of WEEK; (b) to the actual knowledge of WEEK or its Affiliates, does not conflict with, result in a breach of, or constitute a default under, any law, judgment, order, ordinance, injunction, decree, rule, regulation, or ruling of any court or governmental instrumentality applicable to WEEK; and (c) does not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, license or permit to which WEEK is a party or by which it is bound as of the date hereof.

## **10. Termination.**

**10.1 Mutual Agreement.** This Agreement may be terminated at any time by mutual agreement of the parties hereto.

**10.2 Termination by Station Licensee or WEEK.** This Agreement may be terminated by Station Licensee or WEEK, by written notice to the other, upon the occurrence of any of the following events; provided that any such termination shall be effective as of the date thirty (30) days after such notice:

(a) this Agreement has been declared invalid under Applicable Law or illegal in whole or substantial part by an order or decree of an administrative agency or court of

competent jurisdiction which is not subject to appeal or further administrative or judicial review, and the parties, acting in good faith, are after diligent and reasonable negotiation, unable to agree upon a modification of the Agreement so as to cause the Agreement to comply with Applicable Law; or

(b) there has been a change in the Communications Act or the FCC Rules that causes this Agreement in its entirety to be in violation thereof and the applicability of such change is not subject to appeal or further administrative review; and the parties, acting in good faith, are unable to agree upon a modification of the Agreement so as to cause the Agreement to comply with the Communications Act or the FCC Rules as so changed.

**10.3 Termination by WEEK.** This Agreement may be terminated by WEEK, by written notice to Station Licensee, upon the occurrence of any of the following events, provided that any such termination shall be effective as of the date thirty (30) days after such notice:

(a) if WEEK is not then in material breach and Station Licensee is in material breach under this Agreement (other than a breach by Station Licensee of any of its payment obligations hereunder) and Station Licensee has failed to cure such breach within thirty (30) days after receiving written notice of such breach from WEEK, or if WEEK is not then in material breach and Station Licensee breaches any of its payment obligations to WEEK hereunder (other than any such payment obligation that is being contested in good faith) which breach shall not have been cured within fifteen (15) days after receiving written notice of such breach from WEEK;

(b) if Station Licensee or any Affiliate of Station Licensee makes a general assignment for the benefit of creditors, files, or has filed against it, a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of Station Licensee or any Affiliate of Station Licensee under any federal or state insolvency law which, if filed against Station Licensee or any Affiliate of Station Licensee, has not been dismissed within thirty (30) days thereof;

(c) if WEEK is not then in material breach of this Agreement and Station Licensee is in material breach of the Lease or the Services Agreement and Station Licensee has failed to cure such breach within the time period provided for in the Lease or the Services Agreement, as applicable; provided that WEEK has given notice of default to Station Licensee as required by the Lease or Services Agreement, as applicable; or

(d) if the Services Agreement, pursuant to its terms and conditions, terminates or expires.

**10.4 Termination by Station Licensee.** This Agreement may be terminated by Station Licensee, by written notice to WEEK, upon the occurrence of any of the following events, provided that any such termination shall be effective as of the date thirty (30) days after such notice:

(a) if Station Licensee is not then in material breach and WEEK is in material breach under this Agreement (other than a breach by WEEK of any of its payment obligations hereunder) and WEEK has failed to cure such breach within thirty (30) days after

receiving written notice of such breach from Station Licensee, or if Station Licensee is not then in material breach and WEEK breaches any of its payment obligations to Station Licensee hereunder (other than any such payment obligation that is being contested in good faith) which breach shall not have been cured within fifteen (15) days after receiving written notice of such breach from Station Licensee;

(b) if WEEK or any of its Affiliates makes a general assignment for the benefit of creditors, files, or has filed against it a petition for bankruptcy, reorganization or an arrangement for the benefit of creditors, or for the appointment of a receiver, trustee, or similar creditor's representative for the property or assets of WEEK or any of its Affiliates under any federal or state insolvency law which, if filed against WEEK or any of its Affiliates, has not been dismissed within thirty (30) days thereof;

(c) if Station Licensee is not then in material breach of this Agreement and WEEK is in material breach of the Lease or the Services Agreement and WEEK has failed to cure such breach within the time period provided for in the Lease or the Services Agreement, as applicable; provided that Station Licensee has given notice of default to WEEK as required by the Lease or Services Agreement, as applicable; or

(d) if the Services Agreement, pursuant to its terms and conditions, terminates or expires.

#### **10.5 Certain Matters Upon Termination.**

(a) **Continuing Obligations.** No expiration or termination of this Agreement shall terminate the obligations of any party hereto to indemnify the other party for Third Party Claims under Section 11 of this Agreement, or limit or impair any party's rights to receive payments due and owing hereunder on or before the effective date of such termination.

(b) **Cooperation.** Notwithstanding anything to the contrary contained in this Agreement, if this Agreement is terminated in accordance with its terms for any reason, the parties shall cooperate with each other as may be reasonably requested to effect an allocation of the revenues and expenses for any partial calendar month resulting from such termination or to effect any working capital payment required in connection with such allocation.

#### **11. Indemnification.**

**11.1 By WEEK.** WEEK shall indemnify, defend and hold harmless Station Licensee and any employee, director, member, manager, officer, stockholder, or agent of Station Licensee, or any of its Affiliates, successors or assignees (exclusive of WEEK and its Affiliates and agents) (each, a "Station Indemnified Party"), from and against, and reimburse and pay to such Station Indemnified Party as incurred, any loss, liability, damage or expense (including reasonable legal expenses and costs and any cost or expense arising from or incurred in connection with any action, suit, proceeding, claim or judgment) relating to any matter described in this Section 11.1 or in enforcing the indemnity provided by this Section 11 (any such amount being a "Loss"), which any such Station Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(a) any breach by WEEK of a representation, warranty, covenant or obligation made herein;

(b) any liability resulting from WEEK's performance of its obligations under this Agreement in accordance with the terms hereof; or

(c) the actions or omissions of any WEEK employee or representative in performing any duty under this Agreement or in acting outside the scope of employment, which action or omission constitutes willful misconduct or gross negligence.

Notwithstanding anything to the contrary contained herein, in no event shall WEEK be liable under this Section 11.1 for punitive, treble, exemplary, consequential, special or other damages that are not actual damages in accordance with Applicable Law.

**11.2 By Station Licensee.** Except with respect to or to the extent of any Loss subject to indemnification pursuant to the terms and subject to the conditions of Section 11.1, Station Licensee shall indemnify, defend and hold harmless WEEK and any employee, director, member, manager, officer, stockholder or agent of WEEK, or any of its Affiliates, successors or assignees (each a "WEEK Indemnified Party") from and against, and reimburse and pay to such WEEK Indemnified Party, as incurred, any Loss, which any such WEEK Indemnified Party may suffer, sustain or become subject to, in any way arising from, relating to, or as a result of:

(a) any breach by Station Licensee of a representation, warranty, covenant or obligation made herein;

(b) any liability resulting from Station Licensee's performance of its obligations under this Agreement in accordance with the terms hereof; or

(c) the actions or omissions of any Station Licensee employee or representative in performing any duty under this Agreement or in acting outside the scope of employment, which action or omission constitutes willful misconduct or gross negligence.

### **11.3 Procedure.**

(a) If any Person entitled to indemnification under this Agreement (an "Indemnified Party") asserts a claim for indemnification for, or receives notice of the assertion or commencement of any Third Party Claim as to which such Indemnified Party intends to seek indemnification under this Agreement, such Indemnified Party shall give reasonably prompt written notice of such claim to the party from whom indemnification is to be sought (an "Indemnifying Party"), together with a statement of any available information regarding such claim. The Indemnifying Party shall have the right, upon written notice to the Indemnified Party (the "Defense Notice") within fifteen (15) days after receipt from the Indemnified Party of notice of such claim, to conduct at its expense the defense against such Third Party Claim in its own name, or if necessary in the name of the Indemnified Party (which notice shall specify the counsel the Indemnifying Party will appoint to defend such claim ("Defense Counsel")); provided, however, that the Indemnified Party shall have the right to approve the Defense Counsel, which approval shall not be unreasonably withheld or delayed). The parties hereto agree to cooperate fully with each other in connection with the defense, negotiation or settlement of any Third Party Claim. If the Indemnifying Party delivers a

Defense Notice to the Indemnified Party, the Indemnified Party will cooperate with and make available to the Indemnifying Party such assistance and materials as may be reasonably requested by the Indemnifying Party, all at the expense of the Indemnifying Party.

(b) If the Indemnifying Party shall fail to give a Defense Notice, it shall be deemed to have elected not to conduct a defense of the subject Third Party Claim, and in such event the Indemnified Party shall have the right to conduct such defense in good faith. If the Indemnified Party defends any Third Party Claim, then the Indemnifying Party shall reimburse the Indemnified Party for the costs and expenses of defending such Third Party Claim upon submission of periodic bills. If the Indemnifying Party elects to conduct the defense of the subject Third Party Claim, the Indemnified Party may participate, at his or its own expense, in the defense of such Third Party Claim; provided, however, that such Indemnified Party shall be entitled to participate in any such defense with separate counsel at the expense of the Indemnifying Party if (i) so requested by the Indemnifying Party to participate or (ii) in the reasonable opinion of counsel to the Indemnified Party, a conflict or potential conflict exists between the Indemnified Party and the Indemnifying Party that would make such separate representation advisable; and provided, further, that the Indemnifying Party shall not be required to pay for more than one counsel for all Indemnified Parties in connection with any Third Party Claim.

(c) Regardless of which party defends a Third Party Claim, the other party shall have the right at its expense to participate in the defense of such Third Party Claim, assisted by counsel of its own choosing. The Indemnified Party shall not compromise, settle, default on, or admit liability with respect to a Third Party Claim without the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld or delayed, and, if the Indemnified Party settles, compromises, defaults on, or admits liability with respect to a Third Party Claim except in compliance with the foregoing, the Indemnified Party will be liable for all Losses paid or incurred in connection therewith and the Indemnifying Party shall have no obligation to indemnify the Indemnified Party with respect thereto. The Indemnifying Party shall not compromise or settle a Third Party Claim without the consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such compromise or settlement includes as a term thereof an unconditional release of the Indemnified Party and such compromise or release does not impose any non-monetary obligations on the Indemnified Party other than immaterial administrative obligations (and all monetary obligations are subject to the indemnification provisions of this Agreement), in which case the consent of the Indemnified Party shall not be required.

(d) After any final decision, judgment or award shall have been rendered by a court or governmental entity of competent jurisdiction and the expiration of the time in which to appeal therefrom, or after a settlement shall have been consummated, or after the Indemnified Party and the Indemnifying Party shall have arrived at a mutually binding agreement with respect to a Third Party Claim hereunder, the Indemnified Party shall deliver to the Indemnifying Party notice of any sums due and owing by the Indemnifying Party pursuant to this Agreement with respect to such matter and the Indemnifying Party shall be required to pay all of the sums so due and owing to the Indemnified Party by wire transfer of immediately available funds within ten (10) business days after the date of such notice.

(e) It is the intent of the parties that all direct claims by an Indemnified Party against a party not arising out of Third Party Claims shall be subject to and benefit from the terms of this Section 15.4. Any claim under this Section 15.4 by an Indemnified Party for

indemnification, other than indemnification against a Third Party Claim (a “Direct Claim”), will be asserted by giving the Indemnifying Party reasonably prompt written notice thereof and the Indemnifying Party will have a period of twenty (20) days within which to satisfy such Direct Claim. If the Indemnifying Party does not so respond within such 20-day period, the Indemnifying Party will be deemed to have rejected such claim, in which event the Indemnified Party will be free to pursue such remedies as may be available to the Indemnified Party under this Section 15.

(f) A failure by an Indemnified Party to give timely, complete, or accurate notice as provided in this Section 15.4 shall not affect the rights or obligations of either party hereunder, except to the extent that, as a result of such failure, any party entitled to receive such notice was deprived of its right to recover any payment under its applicable insurance coverage or was otherwise materially adversely affected or damaged as a result of such failure to give timely, complete, and accurate notice.

(g) The parties shall use their commercially reasonable efforts to collect the proceeds of any insurance that would have the effect of reducing any Losses (in which case such proceeds shall reduce such Losses). To the extent any Losses of an Indemnified Party are reduced by receipt of payment under insurance policies or from third parties not affiliated with the Indemnified Party, such payments (net of the expenses of the recovery thereof) shall be credited against such Losses and, if indemnification payments shall have been received prior to the collection of such proceeds, the Indemnified Party shall remit to the Indemnifying Party the amount of such proceeds (net of the cost of collection thereof) to the extent of indemnification payments received in respect of such Losses. The indemnification obligations hereunder shall survive any termination of this Agreement.

**11.4 Exclusivity.** Except for termination pursuant to Sections 10.4(a) and 10.5(a) above, the indemnification provided by this Section 11 shall be the sole and exclusive remedy of either of WEEK and Station Licensee against the other party hereto for any claim arising out of a breach of any representation, warranty, covenant or agreement herein or otherwise in connection with this Agreement; provided, that this Section 11.4 shall not prohibit (a) injunctive relief (including specific performance) with respect to breaches of Section 18 of this Agreement or if otherwise available under Applicable Law or (b) any other remedy available at law or in equity for any fraud committed in connection with this Agreement.

**12. Force Majeure.** Any delay or interruption in the broadcast operation of any Station or any other non-monetary breach of this Agreement, in whole or in part, due to acts of God, strikes, lockouts, material or labor restrictions, governmental action, riots, natural disasters or any other cause not reasonably within the control of a party shall not constitute a breach of this Agreement and no party shall be liable to any other party for any liability or obligation with respect thereto.

**13. Unenforceability.** If one or more provisions of this Agreement or the application thereof to any Person or circumstances, shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other Persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by Applicable Law, except that, if such invalidity or unenforceability should change the basic economic positions of the parties hereto or deprive a party of material rights under this Agreement, they shall negotiate in good faith such changes in other terms as shall be practicable in order to restore them to their prior positions. In the event that the FCC alters or modifies its rules or policies

in a fashion which would raise substantial and material questions as to the validity of any provision of this Agreement, the parties shall negotiate in good faith to revise any such provision of this Agreement, as applicable, in an effort to comply with all applicable FCC Rules while attempting to preserve the intent of the parties as embodied in the provisions of this Agreement. The parties hereto agree that, upon the request of either of them, they will join in requesting the informal opinion of the staff of the FCC, to the extent necessary, with respect to the revision of any provision of this Agreement in accordance with the foregoing.

**14. Notices.** All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (a) in writing, (b) delivered personally, or sent by overnight commercial delivery service, (c) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service and (d) addressed as set forth on Schedule 14.

**15. Assignment; Benefit; Binding Effect; Use of Agents.**

(a) Neither party may assign this Agreement or delegate its obligations under this Agreement without the prior written consent of the other party, which shall not be unreasonably withheld, conditioned or delayed.

(b) Notwithstanding anything to the contrary contained herein, WEEK shall have the right to designate agents or otherwise subcontract with any third party to perform all or any portion of its obligations under the Agreement; provided, however, that WEEK shall provide prior written notice to Station Licensee of any designation or subcontract pursuant to the foregoing and, provided further, that Station Licensee shall not be obligated to pay any amounts owing to WEEK under this Agreement to any such third party and shall continue to pay all such amounts directly to WEEK and, provided further, that WEEK shall not be relieved of any of its obligations or liabilities hereunder as a result of its entering into any such arrangements with third parties.

**16. Governing Law.** This Agreement shall be construed and governed in accordance with the laws of Illinois without reference to the conflict of laws principles thereof that would cause the application of the laws of any jurisdiction other than the State of Illinois.

**17. Specific Performance.** The parties hereby agree that the services to be provided hereunder are unique and that substitutes therefor cannot be purchased or acquired in the open market. For that reason, either party would be irreparably damaged in the event of a material breach of this Agreement by the other party. Accordingly, and to the extent permitted by the Communications Act and the FCC Rules then in effect, either party may request that a decree of specific performance be issued by a court of competent jurisdiction, enjoining the other party to observe and to perform such other party's covenants, conditions, agreements and obligations hereunder, and each party hereby agrees neither to oppose nor to resist the issuance of such a decree on the grounds that there may exist an adequate remedy at law for any material breach of this Agreement.

**18. Confidentiality.** Each party hereto agrees that it will not at any time during the Term of or after the termination of this Agreement disclose to others or use, except as duly authorized in connection with the conduct of the business or the rendering of services hereunder or as required by law or as necessary to enforce its rights under this Agreement, any secret or confidential

information of the other parties hereto. To the extent required by the Communications Act or the FCC Rules, each party shall place a copy of this Agreement in its respective station's public inspection files and, with respect to such obligation, shall consult with and agree with the other party as to any confidential or proprietary information herein that shall be redacted from any such copy.

**19. Press Release.** No party hereto shall publish any press release, make any other public announcement or otherwise communicate with any news media concerning this Agreement or the transactions contemplated hereby without the prior written consent of the other party hereto; provided, however, that nothing contained herein shall prevent any party from promptly making all filings with governmental authorities (in accordance with Section 22) as may, in its judgment, be required or advisable in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby.

**20. No Partnership or Joint Venture.** This Agreement is not intended to be, and shall not be construed as, an agreement to form a partnership or a joint venture between the parties. Except as specifically provided in this Agreement, or as otherwise agreed to in writing by the parties, no party shall be authorized to act as an agent of or otherwise to represent any other party hereto.

**21. Further Assurances.** The parties hereto shall take any actions and execute any other documents that may be reasonably necessary or desirable to the implementation and performance of this Agreement.

**22. Captions.** The captions used in this Agreement are for convenience of reference only, do not constitute a part of this Agreement for interpretive purposes and shall not be deemed to limit, characterize or in any way affect any provision of this Agreement. All provisions of this Agreement shall be enforced and construed as if no caption had been used in this Agreement.

**23. Other Definitional Provisions.** The terms "hereof," "herein" and "hereunder" and terms of similar import shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Section references contained in this Agreement are references to Sections in this Agreement, unless otherwise specified. Each defined term used in this Agreement has a comparable meaning when used in its plural or singular form. Each gender-specific term used in this Agreement has a comparable meaning whether used in a masculine, feminine or gender-neutral form. Whenever the term "including" is used in this Agreement (whether or not that term is followed by the phrase "but not limited to" or "without limitation" or words of similar effect) in connection with a listing of items within a particular classification, that listing shall be interpreted as illustrative only and shall not be interpreted as a limitation on, or an exclusive listing of, the items within that classification.

**24. Counterparts and Facsimile and Electronic Mail Signatures.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which taken together shall constitute one and the same instrument. This Agreement shall be legally binding and effective upon delivery of facsimile or electronic mail signatures.

**25. Entire Agreement; Amendment; Waiver.** This Agreement and any attachments and Schedules hereto (which are hereby incorporated by reference and made a part hereof)



collectively represent the entire understanding and agreement among the parties hereto with respect to the subject matter hereof and thereof and supersede all prior agreements with respect to the subject matter hereof and thereof. No term or provision hereof may be changed, modified, amended, terminated or discharged (other than in accordance with its terms), in whole or in part, except by a writing which is dated and signed by the parties hereto. No waiver of any of the provisions or conditions of this Agreement or of any of the rights, powers or privileges of a party shall be effective or binding unless in writing and signed by the party claimed to have given or consented to such waiver.

[SIGNATURE PAGE FOLLOWS]

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

STATION LICENSEE:  
FOUR SEASONS PEORIA, LLC

By: 

Paul Koplin  
Manager

WEEK:  
WEEK TELEVISION, INC.

By: 

Name: Charles F. Roth

Title: Director of Business Administration