

Bounce

BOUNCE AFFILIATION AGREEMENT

This **BOUNCE AFFILIATION AGREEMENT** (this “Agreement”), is made and entered into as of the date last written below, by and between **BOUNCE MEDIA, LLC**, a Georgia limited liability company (“Bounce”), and the undersigned affiliate (“Affiliate”).

1. Bounce TV.

(a) **Service.** Bounce shall transmit to Affiliate via satellite (or other digital method mutually agreed to by Bounce and Affiliate), a 24-hour feed of *Bounce TV* programming (the “Service”), in NTSC standard definition format (or other similar format, including ATSC). The Service shall be a 24/7 television network focused on African American centric movies, series, sports and EI programming. The Service will in compliance within applicable rules and regulations, including, without limitation, FCC rules regarding educational and informational programming needs of children.

(b) **Broadcast.** Subject only to Affiliate’s right of preemption and substitution set forth in Section 4 below, during the Term (as defined below) Affiliate shall have the non-exclusive right and obligation to cause each station listed on Exhibit A (each, a “Station”), to exhibit and broadcast all of the programming included within the Service (including Bounce Inventory, as defined below), solely as scheduled by Bounce, and solely via the following:

- (i) conventional, free, over-the-air transmission on a digital transport stream of the television signal of each Station, and/or
- (ii) retransmission (including “consent” or “must-carry”) on cable/satellite systems (including multichannel distribution platforms) that retransmit each Station’s primary broadcast network within the Territory.

(c) **Territory.** The territory for each Station’s transmission right and obligation hereunder (the “Territory”) shall be the communities for which such Station is then licensed by the FCC, comprising of the DMAs listed on Exhibit A (as amended from time to time by mutual consent of the parties hereto).

(d) **Affiliate Programming.** Affiliate and Bounce may agree from time to time to negotiate for the license by Bounce of African American centric programming owned or controlled by Affiliate, under such revenue share terms as the parties mutually agree from time to time.

(e) **Exclusive.** During the Term, each Station shall be the exclusive Bounce affiliate in such Station’s DMA.

- (i) Non-Duplication. Each Station shall, by the terms of this Agreement, be entitled to invoke protection against the duplication of the Service in any and all formats as provided in the FCC's satellite and cable network nonduplication rules, or pursuant to such other provisions of the FCC Rules or applicable law as may now or during the Term provide protection against the carriage of duplicative programming by any multichannel video programming distributor.
- (ii) VOD. Each program on the Service shall first air on the service prior to the Service making the program available on VOD.

2. **Barter Terms**. Each Station shall have the right to control 50% of the available commercial inventory of each program within the Service (the "Station Inventory"), but excluding long-form paid programming and paid religion, not to exceed 5% and 8%, respectively, of the weekly Service time. The balance of such commercial inventory shall be controlled by Bounce (the "Bounce Inventory"). Bounce shall fairly allocate the Station Inventory and Bounce Inventory within each applicable program. If any Station does not utilize any Station Inventory, then Bounce may control such unused inventory and retain all proceeds therefrom.

3. **Term and Termination**.

(a) **Term**. For each Station, the term of Affiliate's transmission right and obligation hereunder (per Station, the "Term"), shall commence on the first broadcast by any Station, and expire on the third (3rd) anniversary thereof, unless earlier terminated as set forth herein. Unless otherwise agreed to by Bounce, Affiliate shall cause each Station to commence broadcasting the Service under the terms hereof prior to the later date of (i) 120 days following the date hereof, or (ii) 120 days following the first broadcast date (the "launch") of the Service.

(b) **Termination**. Notwithstanding the foregoing, the Term may be earlier terminated by either party upon the material breach of this Agreement by the other party, following 30 days notice thereof and chance to cure therein; provided, however, if such breach is not capable of being cured within such 30 days, but the breaching party is utilizing best efforts to cure such breach, then such period to cure such breach shall be extended for another 30 days, for a total of 60 days.

4. **Substitution and Preemption**.

(a) **Local News**. Each Station may preempt the Service for a 30-minute period each weeknight evening during such time-slot(s) selected by Bounce from time to time (anticipated to be 7:00pm ET), solely for purposes of broadcasting a local news program owned or controlled by Station (the "Local News Right"). If a Station

exercises its Local News Right, then Station shall control all of the commercial inventory during such time-slot.

(b) **Local Sports and Discretionary.** Each Station may substitute programming within the Service as follows: (i) live sports programming (e.g., high school football) featuring teams within the Territory, not in excess of 100 hours per calendar year (or pro-rata portion thereof), (ii) programming required to be distributed by such Station pursuant to agreements effective as of the date hereof, between Affiliate and a third-party, but only if each such agreement and terms are identified on Exhibit A hereto, and/or (iii) such other African American centric programming owned or controlled by Affiliate, in compliance with Bounce's standards and practices, not in excess of 20 hours per calendar year (or pro-rata portion thereof). If a Station exercises its substitution rights set forth in this Section 4(b), then such Station shall control all of the commercial inventory during such substituted programming. Affiliate shall provide notice to Bounce of each such substitution of a Service program by a Station pursuant to this Section 4(b), at least 72 hours prior to such substitution, which notice by Affiliate shall include a description of the substitute programming that such Station will broadcast (the "Substitute Programming"), subject to Section 4(e). Bounce reserves the right to direct Affiliate to cause Station to broadcast at an alternate time slot, such programming that was substituted, unless such programming was a "live" event.

(c) **Public Interest.** Each Station may preempt programming in accordance with clause (e) of FCC Rule 73.658, which the Station reasonably believes to be unsatisfactory or unsuitable or contrary to the public interest, or for substituting a program on the Service which, in the Station's opinion, is of greater local or national importance. Affiliate shall provide notice to Bounce of such preemption as soon as practical, but not later than 2 hours following such preemption.

(d) **Objectionable Material.** Each Station may substitute programming within the Service (including Bounce Inventory), if Affiliate reasonably believes in good faith that such programming is materially objectionable and unsuitable for public viewing and/or fails to comply with rules and regulations of the FCC. For a Station to exercise its substitution rights under this Section 4(d), Affiliate shall provide notice to Bounce of such substitution and the justification therefor, not later than 72 hours after receiving notice of the program for which Station desires to substitute hereunder, and Affiliate shall provide to Bounce a description of the Substitute Programming, subject to Section 4(e).

(e) **Substitute Programming.** Excluding each substitution by a Station pursuant to clauses (i) and (ii) of Section 4(b) hereof, all Substitute Programming by a Station hereunder and any other programming for which a Station is otherwise permitted to preempt or substitute hereunder, shall be of a high quality and taste, consistent with the African American centric programming on the Service and conform to all standards and practices of Bounce and applicable law and regulations; provided, however, such programming shall not be paid religion and/or long-form advertising (as such terms are generally understood in the television industry).

5. **Intellectual Property Rights.**

(a) **Localization of Bounce TV Brand.** Affiliate may use and customize the Bounce TV name and marks to support each Station's market, subject to the prior approval of Bounce (which approval shall not be unreasonably withheld), subject to policies and guidelines reasonably adopted by Bounce from time to time.

(b) **Station Name and Marks.** Bounce may use and display each Station's name, marks, and logos (including such Stations' name and call letters) solely in connection with the marketing and promotion of Bounce TV, pursuant to such policies and guidelines reasonably adopted by Affiliate from time to time.

(c) **Music.** Affiliate shall (at its cost and expense) obtain and maintain all public performance rights for each Station (i.e., ASCAP, BMI, SESAC). Bounce will obtain all other master use and music publishing rights and licenses for Station to transmit the Services as contemplated hereunder; and all music publishing incorporated within the Service shall either be specifically licensed from the holder of same, or be included within the repertoire of ASCAP, BMI, and/or SESAC .

6. **Warranties; Indemnification; Limitations.**

(a) **Mutual Representation.** Each party represents and warrants to the other that it has the full legal right, power and authority to enter into this Agreement and to fully perform its respective obligations hereunder and is not bound by any current or previous agreements or other documents or understandings which adversely affect this Agreement or either party's due performance hereunder.

(b) **Bounce Representation.** Bounce represents, warrants and covenants to Affiliate that Bounce has obtained all necessary programming rights, clearances and authorizations required by applicable law to deliver the Service to Affiliate and to permit Affiliate to broadcast and transmit the Service under the terms hereof.

(c) **Mutual Indemnification.** Each party agrees to indemnify and hold harmless the other party (and its affiliates and their officers, directors, successors, and assigns) from all claims arising in consequence of (i) any breach by such party of this Agreement, (ii) any violation of applicable law by such party, and/or (iii) any negligence or more culpable conduct by such party.

(d) **Bounce Indemnification.** Bounce further agrees to indemnify and hold harmless Affiliate (and its affiliates and their officers, directors, successors, and assigns) from and against any claims arising from the content of the Service (including the Bounce Inventory) and any marketing or promotional materials published or provided by Bounce in relation to the Service.

(e) **Affiliate Indemnification.** Affiliate further agrees to indemnify and hold harmless Bounce (and its affiliates and their officers, directors, successors, and assigns) from any claims arising from (i) any preemption or substitution by Affiliate of

the Service, to the extent such preemption or substitution gives rise to a claim, (ii) any Station Inventory, to the extent such Station Inventory gives rise to a claim, and/or (iii) and any marketing or promotional materials published or provided by any Station in relation to the Service.

(f) **Limitation of Liability.** Except with respect to any claim or liability arising out of an infringement of any third party intellectual property right as contemplated in this Section 6, in no event shall either party hereto be liable, by indemnification or otherwise, for any special, indirect, consequential or incidental damages of any kind, including, without limitation, any loss of profit, loss of use, or business interruption. This Section 6(f) shall survive the expiry or other termination of this Agreement.

7. Miscellaneous.

(a) **FCC Compliance.** Bounce shall schedule all programming included within the Service to be in compliance within applicable rules and regulations (including, without limitation, FCC rules regarding education and informational programming needs of children).

(b) **Rescheduling Service.** Notwithstanding anything to the contrary, Bounce may reschedule any program within the Service for (i) emergencies, force majeure events, news events, and other matters of a similar local or national importance, whereupon, Bounce shall provide notice thereof to Affiliate as soon as practical, and/or (ii) for other scheduling changes, whereupon, Bounce shall provide notice thereof to Affiliate within 15 days of such schedule, or such lesser period if it is not commercially possible for Bounce to provide such 15 days notice.

(c) **Force Majeure.** Notwithstanding anything contained in this Agreement, if total or partial performance of this Agreement is delayed or rendered impossible for either party by virtue of any reason whatsoever beyond its reasonable control (including, without limitation, war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war or strife, rebellion, strikes, lockouts or other industrial disputes or actions, fire, flood, epidemic, earthquake, explosion, decision of any court or other judicial body of competent jurisdiction, unavailability of materials, transportation, power or other commodity, satellite failure or non-availability, failure or non-availability of uplink and downlink satellite signals or terrestrial facilities, acts of God, acts of governments or other prevailing authorities, or defaults of third parties), then such non-performance shall be deemed not to constitute a breach of this Agreement during such non-performance, provided that such party utilizes commercially reasonable efforts to resolve same.

(d) **Insurance.** Each party shall obtain and maintain during the Term, standard errors and omissions insurance (also known as media or broadcasters' liability insurance), with reputable licensed insurance carries. On the request of party hereto, the other party shall name such party as an additional insured on such policy.

(e) **Notice.** Any notice, approval, consent, or other communication given under this Agreement shall be in writing and sent postage prepaid by registered or certified mail, return receipt requested, or by hand or messenger delivery, or by Federal express or similar overnight delivery service, or by e-mail, to the other party, at the address set next to such party's signature (unless either party at any time designates another address for itself by notifying the other party thereof by certified mail, in which case all notices to such party thereafter shall be given at its most recently so designated address). Notice or other communication given by personal delivery shall be deemed given on delivery. Notice or other communication given by mail shall be deemed given on the earlier to occur of actual receipt thereof or on the fifth day following mailing thereof. Notice or other communication given by Federal Express or similar overnight delivery service shall be deemed given on the next business day following delivery of the notice or other communication to such service with instructions for overnight delivery. Notice or other communication sent via e-mail shall be deemed given on the next business day. Actual receipt of notice, by any means, shall constitute notice hereunder.

(f) **Assignment.** This Agreement is not assignable by either party hereto, other than to any person or entity acquiring all or substantially all of the assets (i) of such party, or (ii) of a Station. Any other assignment without the other party's prior consent shall be null and void ab initio.

(g) **Governing law.** This Agreement and any controversies arising hereunder shall be interpreted and adjudicated in accordance with the laws of the State of New York, applicable to contracts entered into and performed entirely therein and without regard to conflicts of laws provisions

(h) **Severability.** The provisions of this Agreement are severable and if any provision is held to be unenforceable or invalid, it shall not affect the validity or enforceability of any other provision.

(i) **Entire Agreement.** This Agreement sets forth the entire agreement and understanding of the parties on the subject matter hereof and supersedes all prior written or oral agreements, arrangements and understandings. No modifications or amendments shall be effective unless in writing and signed by both parties. No waiver of any breach or default shall be construed as a waiver unless it is in writing and signed by the party making the waiver.

(j) **Counterparts.** This Agreement may be executed and delivered in two or more counterparts, each of which when so executed and delivered shall be the original, but such counterparts together shall constitute but one and the same instrument. In addition, facsimile and e-mail signatures shall be valid, enforceable, and effective as if they were originals.

[Continued on the next page.]

IN WITNESS WHEREOF, each of the parties hereto has duly executed and delivered this Agreement as of the date written below.

Date: June 10, 2011

Name of Affiliate:
MISSION BROADCASTING, INC.

By: Dennis Thatcher
Dennis Thatcher
Chief Operating Officer
9/1/2011

BOUNCE:
BOUNCE MEDIA, LLC

By: [Signature]
Ryan Glover, President

Address for Notices:

30400 Detroit Road
Suite 304
Westlake, OH 44145-1855
E-mail: missionbroadcasting@gmail.com

Address for Notices:

600 Galleria Parkway
Suite 1900
Atlanta, GA 30339
E-mail: rglover@bouncetv.com

EXHIBIT A

Stations and DMAs

DMA:	Station:	Channel:
Lubbock	KAMC-TV	Channel 27.2
Wichita Falls	KJTL-TV	Channel 15.2
Abilene	KRBC-TV	Channel 29.2