

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported) July 30, 2014**

**THE E.W. SCRIPPS COMPANY**  
(Exact name of registrant as specified in its charter)

**Ohio**

(State or other jurisdiction of  
incorporation or organization)

**0-16914**

(Commission  
File Number)

**31-1223339**

(I.R.S. Employer  
Identification Number)

**312 Walnut Street  
Cincinnati, Ohio**

(Address of principal executive offices)

**45202**

(Zip Code)

**Registrant's telephone number, including area code: (513) 977-3000**

**Not Applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**THE E.W. SCRIPPS COMPANY**  
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## Item 1.01 Entry into a Material Definitive Agreement

On July 30, 2014, The E. W. Scripps Company, an Ohio corporation (“Scripps”), entered into a Master Transaction Agreement (the “Master Agreement”) with Journal Communications, Inc., a Wisconsin corporation (“Journal”), Scripps Media, Inc., a Delaware corporation and wholly owned subsidiary of Scripps (“SMI”), Desk Spinco, Inc., a Wisconsin corporation and wholly owned subsidiary of SMI (“Scripps Spinco”), Desk NP Operating, LLC, a Wisconsin limited liability company and wholly owned subsidiary of SMI (“SNOC”), Desk BC Merger, LLC, a Wisconsin limited liability company and wholly owned subsidiary of Scripps, Boat Spinco, Inc., a Wisconsin corporation and wholly owned subsidiary of Journal (“Journal Spinco”), Boat NP Newco, Inc., a Wisconsin corporation and wholly owned subsidiary of Journal (“Newco” or “Journal Media Group”), Desk NP Merger Co., a Wisconsin corporation and wholly owned subsidiary of Newco, and Boat NP Merger Co., a Wisconsin corporation and wholly owned subsidiary of Newco. Prior to the consummation of the transactions contemplated by the Master Agreement (the “Transactions”), Newco will be renamed Journal Media Group, Inc.

Pursuant to the Master Agreement, which has been unanimously approved by the Boards of Directors of each of Scripps and Journal, Scripps and Journal will, through a series of transactions and subject to the satisfaction or waiver of specified conditions, (i) separate Journal’s newspaper business pursuant to a spin-off of Journal Spinco to the shareholders of Journal, (ii) separate Scripps’ newspaper business pursuant to a spin-off of Scripps Spinco to the shareholders of Scripps, (iii) combine these two spun-off newspaper businesses through two mergers, resulting in each of them becoming a wholly owned subsidiary of Newco and (iv) then merge Journal with and into a wholly owned subsidiary of Scripps. Upon consummation, the Transactions will result in two separate, public companies: one, Journal Media Group, continuing the combined newspaper businesses of Journal and Scripps; and the other, Scripps, continuing the combined broadcast businesses of Journal and Scripps. In connection with the Transactions, each share of Journal’s then outstanding class A and class B common stock will receive 0.5176 Scripps class A common shares and 0.1950 shares of Journal Media Group common stock, and each Scripps class A common share and common voting share then outstanding will receive 0.2500 shares of Journal Media Group common stock. Immediately following consummation of the Transactions, holders of Journal’s common stock will own approximately 41% of the common shares of Journal Media Group and approximately 31% of the common shares of Scripps, in the form of Scripps class A common shares, with the remaining common shares of each entity owned by the Scripps shareholders. Pursuant to the Master Agreement, prior to the consummation of the Transactions, Journal will contribute to Journal Spinco (and, thereby following the closing, Journal Media Group) \$10.0 million in cash, and Scripps will distribute a special cash dividend in the aggregate amount of \$60.0 million to the holders of its common shares. The Transactions are intended to be tax-free at both the shareholder and corporate levels at each of Scripps and Journal, with the exceptions of the distribution of Journal Spinco to Journal’s shareholders, which will be taxable at the corporate level, and the distribution of \$60.0 million by Scripps to its shareholders.

The consummation of the Transactions is subject to the approval of certain aspects of the Transactions by the shareholders of each company. In addition, the Transactions are subject to other customary closing conditions, including, among others, (i) the absence of a law, judgment, injunction or other legal restraint prohibiting the consummation of the Transactions, (ii) the effectiveness of the registration statements to be filed with the Securities and Exchange Commission (the “SEC”), (iii) the approval for listing on the New York Stock Exchange, NASDAQ Stock Market or other nationally recognized stock exchange in the United States of Journal Media Group common stock, (iv) the receipt of required antitrust, Federal Communications Commission and other regulatory approvals, (v) the amendment or replacement of Scripps’ current credit facility, (vi) the receipt of consents to the Transactions by certain television networks and (vii) the receipt of customary tax opinions regarding the tax treatment of the Transactions. The obligation of Scripps or Journal to consummate the Transactions is also conditioned upon the other party’s representations and warranties being true and correct, including that the other party has not suffered a material adverse effect, and the other party having performed in all material respects its obligations, in each case as set forth in the Master Agreement.

The Master Agreement contains customary representations, warranties and covenants of Scripps and Journal. These covenants include, among others, (i) an obligation on behalf of both parties to operate their respective businesses in the ordinary course until the Transactions are consummated and not to engage in certain kinds of transactions during such period, (ii) an obligation of each party to call and hold special shareholders’ meetings and recommend the approval of the Transactions and (iii) an obligation that the parties use their respective reasonable best efforts to obtain governmental and regulatory approvals.

Scripps and Journal are prohibited from soliciting competing acquisition proposals and may not provide non-public information or discuss or negotiate a competing acquisition proposal unless, following receipt of an unsolicited bona fide written acquisition proposal, (i) the party’s board of directors concludes in good faith, based on the information then available and after consulting a nationally recognized financial advisor and outside legal counsel, such proposal constitutes or is reasonably likely to result in a proposal that is superior to the Transactions and (ii) the party’s board of directors concludes in

good faith, based on the information then available and after consultation with outside legal counsel, that failure to take such actions would be reasonably likely to be inconsistent with the Board of Director's fiduciary duties under applicable law.

The Master Agreement contains certain termination rights for both Scripps and Journal, including in the event that (i) the Transactions are not consummated before September 30, 2015 (which deadline may be extended by either party to December 31, 2015 under certain circumstances if required regulatory approvals have not been obtained), (ii) the approval of the shareholders of Scripps or Journal is not obtained at a shareholders meeting or (iii) either Scripps or Journal terminates the Master Agreement to enter into a binding agreement providing for a superior transaction. The Master Agreement further provides that, upon termination of the Master Agreement under specified circumstances, including, but not limited to, a change in the recommendation of the board of directors of Scripps or Journal or a termination of the Master Agreement by Scripps or Journal to enter into a binding agreement providing for a superior transaction, Scripps or Journal, as the case may be, will (i) pay to the other party a cash termination fee equal to either 2.25% or 2.85% of the amount equal to the number of issued and outstanding shares of Journal's common stock multiplied by the closing sale share price of Journal's class A common stock, in each case, as of the close of business on July 31, 2014, and (ii) reimburse the other party for its reasonable and documented out-of-pocket expenses up a set amount.

A copy of the Master Agreement is filed herewith as Exhibit 2 and is incorporated herein by reference. The foregoing description of the Master Agreement is qualified in its entirety by reference to the full text of the Master Agreement.

The Master Agreement has been included solely to provide investors and security holders with information regarding its terms. It is not intended to be a source of financial, business or operational information about Scripps, Journal or their respective subsidiaries or affiliates. The representations, warranties and covenants contained in the Master Agreement are made only for purposes of the agreement and are made as of specific dates; are solely for the benefit of the parties; may be subject to qualifications and limitations agreed upon by the parties in connection with negotiating the terms of the Master Agreement, including being qualified by confidential disclosures made for the purpose of allocating contractual risk between the parties instead of establishing matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors or security holders. Investors and security holders should not rely on the representations, warranties and covenants or any description thereof as characterizations of the actual state of facts or condition of Scripps, Journal or their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Master Agreement, which subsequent information may or may not be fully reflected in public disclosures.

#### *Employee Matters Agreement*

In connection with the execution of the Master Agreement, an Employee Matters Agreement, dated as of July 30, 2014 (the "EMA"), was entered into by and among Scripps, SNOC, Scripps Spingo, Journal, Journal Spingo and Newco. The EMA allocates employees and benefit plans between Scripps and Journal Media Group following the closing of the Transactions. The newspaper employees of both Scripps and Journal and certain of Journal's corporate employees will become employees of Journal Media Group as of the closing of the Transactions, while the broadcast employees of Journal will become employees of Scripps. Scripps will retain its qualified defined benefit pension plan and will assume sponsorship of Journal's qualified defined benefit pension plan. Scripps' liabilities with respect to one multiemployer plan covering newspaper employees at two Scripps locations will be assumed by Journal Media Group. The 401(k) plans and health and welfare plans (major medical, reimbursement, paid time off) and nonqualified retirement plans will be divided between Scripps and Journal Media Group. Scripps will retain liability with respect to those plans for broadcast and corporate employees and former employees and, except with respect to the nonqualified plans and certain retiree medical plans, former newspaper employees. Journal Media Group will assume responsibility with respect to those plans for newspaper employees and, with respect to the nonqualified plans and certain retiree medical plans, former newspaper employees. Employees will receive credit for service with Journal and Scripps for purposes of all Scripps and Journal Media Group benefit plans.

Scripps' stock options and phantom stock units outstanding immediately prior to closing, regardless of the holder thereof, will continue in effect after the closing of the Transactions in accordance with their terms, with appropriate adjustments to preserve the value of such awards. Scripps restricted share units outstanding immediately prior to closing held by Scripps' broadcast and corporate employees and Scripps' directors will continue in effect after the closing of the Transactions in accordance with their terms, with appropriate adjustments to preserve the value of such awards. Scripps' restricted share units outstanding immediately prior to the closing held by Scripps newspaper employees and certain terminating employees will be cancelled and the holders thereof will receive a combination of a cash dividend equivalent payment, Scripps class A common shares and shares of Journal Media Group common stock. Journal's restricted stock awards outstanding immediately prior to the closing will become fully vested and will participate in the Transactions on the same basis as other Journal shareholders. Journal's stock appreciation rights (SARs) and performance units outstanding immediately prior to the closing will be cancelled.

and the holders thereof will receive a cash payment of the estimated fair value, with respect to the SARs, and a combination of Scripps class A common shares and shares of Journal Media Group common stock, with respect to the performance units. The employee stock purchase plans of both companies will be suspended. The severance and change of control plans covering Scripps employees will be continued for at least one year after the closing by Scripps (for Scripps broadcast and corporate employees) and Journal Media Group (for Scripps newspaper employees). The severance and retention plan of Journal will be continued until at least December 31, 2015, by Scripps (for Journal's corporate and broadcast employees) and Journal Media Group (for Journal's newspaper employees). Journal's equity plans will terminate at closing.

A copy of the EMA is filed herewith as Exhibit 10.1 and is incorporated herein by reference. The foregoing description of the EMA is qualified in its entirety by reference to the full text of the EMA.

The EMA has been included solely to provide investors and security holders with information regarding its terms. It is not intended to be a source of financial, business or operational information about Scripps, Journal or their respective subsidiaries or affiliates. The representations, warranties and covenants contained in the EMA are made only for purposes of the agreement and are made as of specific dates; are solely for the benefit of the parties; may be subject to qualifications and limitations agreed upon by the parties in connection with negotiating the terms of the EMA, including being qualified by confidential disclosures made for the purpose of allocating contractual risk between the parties instead of establishing matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors or security holders. Investors and security holders should not rely on the representations, warranties and covenants or any description thereof as characterizations of the actual state of facts or condition of Scripps, Journal or their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the EMA, which subsequent information may or may not be fully reflected in public disclosures.

#### *Tax Matters Agreements*

In connection with the execution of the Master Agreement, Scripps and Journal each entered into a Tax Matters Agreement, dated as of July 30, 2014 (the "TMAs"), with Newco and the newspaper company each will spin off. Under the TMAs, Scripps and Journal, as the parent companies who will remain in the broadcast business, generally take responsibility for the pre-spin-off tax liabilities of their entire groups (broadcast and newspaper businesses), except to the extent there is a post-spin-off adjustment (whether as a result of an audit by taxing authorities or otherwise) to the books and records as they exist at the time of the spin-off. Journal, whose successor will be a limited liability company owned by Scripps post-spin-off, will be liable for paying all taxes associated with the taxable spin-off of Journal's newspaper business. Scripps Spinco and Journal Spinco, as the spun companies in the newspaper business, will take responsibility for their own tax liabilities that arise from business activity after the spin-offs. The Journal TMA also expressly provides that a Section 336(e) election under the Internal Revenue Code will be made for Journal Spinco to allow the tax basis in the assets of Journal Spinco to be adjusted to their fair market value for tax purposes as of the date of the spin-off.

Copies of the TMAs are filed herewith as Exhibits 10.2 and 10.3 and are incorporated herein by reference. The foregoing description of the TMAs is qualified in its entirety by reference to the full text of the TMAs.

The TMAs have been included solely to provide investors and security holders with information regarding their terms. They are not intended to be a source of financial, business or operational information about Scripps, Journal or their respective subsidiaries or affiliates. The representations, warranties and covenants contained in the TMAs are made only for purposes of the agreement and are made as of specific dates; are solely for the benefit of the parties; may be subject to qualifications and limitations agreed upon by the parties in connection with negotiating the terms of the TMAs, including being qualified by confidential disclosures made for the purpose of allocating contractual risk between the parties instead of establishing matters as facts; and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors or security holders. Investors and security holders should not rely on the representations, warranties and covenants or any description thereof as characterizations of the actual state of facts or condition of Scripps, Journal or their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the TMAs, which subsequent information may or may not be fully reflected in public disclosures.

## Item 8.01 Other Events

On July 30, 2014, Scripps and Journal issued a joint press release announcing the execution of the Master Agreement. A copy of the joint press release is furnished herewith as Exhibit 99 and is incorporated herein by reference.

\* \* \*

### Additional Information and Where to Find It

The proposed transactions involving Scripps and Journal will be submitted to the holders of class A and class B common stock of Journal and to the holders of Common Voting shares of Scripps for their consideration. In connection with the proposed transactions, Scripps will prepare a registration statement on Form S-4 that will include a joint proxy statement/prospectus to be filed with the SEC, and each of Scripps and Journal will mail the joint proxy statement/prospectus to their respective shareholders and file other documents regarding the proposed transactions with the SEC. **Scripps urges investors and shareholders to read the joint proxy statement/prospectus when it becomes available, as well as other documents filed with the SEC, because they will contain important information.** Investors and shareholders will be able to obtain the registration statement containing the joint proxy statement/prospectus and other documents free of charge at the SEC's web site, <http://www.sec.gov>, from Journal upon request to Jason R. Graham, Senior Vice President - Finance and Chief Financial Officer, via telephone at (414) 224-2440 or via email at [jgraham@jrn.com](mailto:jgraham@jrn.com), or from Scripps Investor Relations, Carolyn Micheli, at [carolyn.micheli@scripps.com](mailto:carolyn.micheli@scripps.com) or (513) 977-3732.

### Caution Concerning Forward-Looking Statements

This communication contains certain forward-looking statements with respect to the financial condition, results of operations and business of Scripps and the combined businesses of Journal and Scripps and certain plans and objectives of Scripps with respect thereto, including the expected benefits of the proposed spin and merger transactions. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "hope", "aim", "continue", "will", "may", "would", "could" or "should" or other words of similar meaning or the negative thereof. There are several factors which could cause actual plans and results to differ materially from those expressed or implied in forward-looking statements. Such factors include, but are not limited to, the expected closing date of the proposed transactions; the possibility that the expected synergies and value creation from the proposed transactions will not be realized, or will not be realized within the expected time period; the risk that the businesses will not be integrated successfully; disruption from the proposed transactions making it more difficult to maintain business and operational relationships; the risk that unexpected costs will be incurred; changes in economic conditions, political conditions, licensing requirements and tax matters; and the possibility that the proposed transactions do not close, including, but not limited to, due to the failure to satisfy the closing conditions. These forward-looking statements are based on numerous assumptions and assessments made by Scripps in light of its experience and perception of historical trends, current conditions, business strategies, operating environment, future developments and other factors that it believes appropriate. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this communication could cause actual results, performance or achievements, industry results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and persons reading this communication are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this communication. Scripps does not assume any obligation to update the information contained in this communication (whether as a result of new information, future events or otherwise), except as required by applicable law. A further list and description of risks and uncertainties can be found in Scripps' Annual Report on Form 10-K for the year ended December 31, 2013 and in its reports filed on Form 10-Q and Form 8-K.

### Participants in Solicitation

Scripps, Journal and certain of their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transactions under the rules of the SEC. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the proposed transactions will be set forth in the joint proxy statement/prospectus when it is filed with the SEC. You can find information about Journal's directors and executive officers in its Annual Report for the year ended December 29, 2013 on Form 10-K filed with the SEC on March 10, 2014 and the definitive proxy statement relating to its 2014 Annual Meeting of Shareholders filed with the SEC on March 21, 2014. You can find information about

Scripps's directors and executive officers in its Annual Report for the year ended December 31, 2013 on Form 10-K filed with the SEC on March 4, 2014 and the definitive proxy statement relating to its 2014 Annual Meeting of Shareholders filed with the SEC on March 21, 2014. These documents can be obtained free of charge from the sources indicated above.

### Non-Solicitation

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. This communication is not a solicitation of a proxy from any investor or shareholder.

### 9.01 Financial Statements and Exhibits

- (a) Not applicable.
- (b) Not applicable.
- (c) Not applicable.
- (d) Exhibits

2 Master Transaction Agreement, dated as of July 30, 2014, among The E. W. Scripps Company, Scripps Media, Inc., Desk Spinco, Inc., Desk NP Operating, LLC, Desk NP Merger Co., Desk BC Merger, LLC, Journal Communications, Inc., Boat Spinco, Inc., Boat NP Merger Co., and Boat NP Newco, Inc.\*

10.1 Employee Matters Agreement, dated as of July 30, 2014, among The E. W. Scripps Company, Desk Spinco, Inc., Desk NP Operating, LLC, Journal Communications, Inc., Boat Spinco, Inc. and Boat NP Newco, Inc.

10.2 Scripps Tax Matters Agreement, dated July 30, 2014, by and among The E. W. Scripps Company, Desk Spinco, Inc. and Boat NP Newco, Inc.

10.3 Journal Tax Matters Agreement, dated July 30, 2014, by and among Desk BC Merger, LLC, Journal Communications, Inc., Boat Spinco, Inc. and Boat NP Newco, Inc.

99 Joint Press Release of Journal Communications, Inc. and The E. W. Scripps Company, issued July 30, 2014.

\*The disclosure schedules and similar attachments to this agreement are not being filed herewith. The registrant agrees to furnish supplementally a copy of any such schedules or attachments to the Securities and Exchange Commission upon request.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE E.W. SCRIPPS COMPANY

BY: /s/ Douglas F. Lyons  
Douglas F. Lyons  
Vice President and Controller  
(Principal Accounting Officer)

Dated: July 31, 2014



**MASTER TRANSACTION AGREEMENT**

**Dated as of July 30, 2014**

**by and among**

**The E. W. Scripps Company,  
Scripps Media, Inc.,  
Desk Spinco, Inc.,  
Desk NP Operating, LLC,  
Desk NP Merger Co.,  
Desk BC Merger, LLC,  
Journal Communications, Inc.,  
Boat Spinco, Inc.,  
Boat NP Merger Co., and  
Boat NP Newco, Inc.  
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## MASTER TRANSACTION AGREEMENT

THIS MASTER TRANSACTION AGREEMENT (this "Agreement"), dated July 30, 2014, is by and among The E. W. Scripps Company, an Ohio corporation ("Scripps"), Scripps Media, Inc., a Delaware corporation and wholly owned subsidiary of Scripps ("SMI"), Desk Spinco, Inc., a Wisconsin corporation and wholly owned subsidiary of SMI ("Scripps Spinco"), Desk NP Operating, LLC, a Wisconsin limited liability company and wholly owned subsidiary of SMI ("SNOC"), Desk BC Merger, LLC, a Wisconsin limited liability company and wholly owned subsidiary of Scripps ("Scripps Broadcast Merger, LLC"), Journal Communications, Inc., a Wisconsin corporation ("Journal"), Boat Spinco, Inc., a Wisconsin corporation and wholly owned subsidiary of Journal ("Journal Spinco"), Boat NP Newco, Inc., a Wisconsin corporation ("Newco"), Desk NP Merger Co., a Wisconsin corporation and wholly owned subsidiary of Newco ("Scripps Newspaper Merger Sub") and Boat NP Merger Co., a Wisconsin corporation and wholly owned subsidiary of Newco ("Journal Newspaper Merger Sub").

WHEREAS, the Board of Directors of Scripps has determined that it is advisable and in the best interests of Scripps and the Scripps Shareholders to separate the newspaper business of Scripps pursuant to a spin-off of Scripps Spinco to the Scripps Shareholders effectuated through a series of transactions described in Article 2, and the Board of Directors of Journal has determined that it is advisable and in the best interests of Journal and the Journal Shareholders to separate the newspaper business of Journal pursuant to a spin-off of Journal Spinco to the Journal Shareholders through a series of transactions described in Article 3, with the separation in each case intended to (i) facilitate the transactions described in this Agreement, consistent with regulatory requirements, (ii) allow for more tailored management incentives, (iii) increase the per-share combined value of the separated companies, (iv) separate businesses with differing strategic directions, (v) eliminate existing constraints regarding capital allocation, (vi) concentrate management focus, (vii) accommodate differing shareholder bases, and (viii) achieve other corporate business purposes including "fit-and-focus" benefits;

WHEREAS, the Board of Directors of Scripps has determined that it is advisable and in the best interests of Scripps and the Scripps Shareholders to merge Scripps Newspaper Merger Sub with and into Scripps Spinco following the Scripps Newspaper Distribution, with Scripps Spinco surviving the merger as a wholly owned subsidiary of Newco (the "Scripps Newspaper Merger");

WHEREAS, the Board of Directors of Journal has determined that it is advisable and in the best interests of Journal and the Journal Shareholders to merge Journal Newspaper Merger Sub with and into Journal Spinco following the Journal Newspaper Distribution, with Journal Spinco surviving the merger as a wholly owned subsidiary of Newco (the "Journal Newspaper Merger", and together with the Scripps Newspaper Merger, the "Newspaper Mergers");

WHEREAS, the Board of Directors of Scripps has determined that it is advisable and in the best interests of Scripps and the Scripps Shareholders that Scripps, prior to the Broadcast Merger, pay a special dividend of cash to the Scripps Shareholders in the aggregate amount of \$60 million (the "Pre-Broadcast Merger Dividend");

WHEREAS, the Boards of Directors of Scripps and Journal have determined that it is advisable and in the respective best interests of Scripps and Journal and their respective shareholders to merge Journal into Scripps Broadcast Merger, LLC following the Newspaper Mergers, with Scripps Broadcast Merger, LLC surviving the merger as a wholly owned subsidiary of Scripps (the "Broadcast Merger", and together with the Newspaper Mergers, the "Mergers");

WHEREAS, it is the intention of the parties hereto that, for United States federal income tax purposes, the SMI Newspaper Contribution and the SMI Newspaper Distribution should qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, it is the intention of the parties hereto that, for United States federal income tax purposes, the SMI Newspaper Distribution should qualify as tax-free under Section 355(a) of the Code to Scripps and as tax-free to SMI under Section 361(c) of the Code;

WHEREAS, it is the intention of the parties hereto that, for United States federal income tax purposes, the Scripps Newspaper Contribution and the Scripps Newspaper Distribution should qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code;

WHEREAS, it is the intention of the parties hereto that, for United States federal income tax purposes, the Scripps Newspaper Distribution should qualify as tax-free under Section 355(a) of the Code to the Scripps Shareholders and as tax-free to Scripps under Section 361(c) of the Code;

WHEREAS, it is the intention of the parties hereto that, for United States federal income tax purposes, the Journal Newspaper Contribution and the Journal Newspaper Distribution should qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code;

WHEREAS, it is the intention of the parties hereto that, for United States federal income tax purposes, the Journal Newspaper Distribution should qualify as tax-free under Section 355(a) of the Code to the Journal Shareholders, and it is expected that the Journal Newspaper Distribution will be taxable to Journal under Section 355(e) of the Code;

WHEREAS, it is the intention of the parties hereto that the Newspaper Mergers should constitute exchanges described in Section 351 of the Code and/or reorganizations described in Sections 368(a)(1)(B) and/or 368(a)(2)(E) of the Code;

WHEREAS, it is the intention of the parties hereto that the Broadcast Merger should constitute a reorganization described in Section 368(a) of the Code; and

WHEREAS, it is the intention of the parties hereto that this Agreement is, and is hereby adopted as, a “plan of reorganization” under Section 368 of the Code for all applicable Transactions.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

## ARTICLE 1 DEFINITIONS

Section 1.01 *Definitions.* (a) As used herein, the following terms have the following meanings:

“Action” means any demand, action, suit, countersuit, arbitration, inquiry, proceeding or investigation by or before any federal, state, local, foreign or international Governmental Authority or any arbitration or mediation tribunal.

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such Person. As used herein, “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by Contract or otherwise. For purposes hereof, Scripps Networks Interactive, Inc. and each of its Subsidiaries shall not be deemed to be an “Affiliate” of Scripps.

“Applicable Law” means, with respect to any Person, any federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person, as amended unless expressly specified otherwise.

“Assets” means assets, properties and rights (including goodwill), wherever located (including in the possession of vendors or other Third Parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, in each case whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person, including the following:

(i) all accounting and other books, records and files whether in paper, computer, electronic or any other form;

(ii) all personal property and interests therein, including machinery, equipment, furniture, office equipment, communications equipment, vehicles, storage tanks, spare and replacement parts, special and general tools, and other tangible personal property;

(iii) all inventories of newsprint, ink, materials, parts, raw materials, supplies, work-in-process and finished goods and products;

(iv) all interests in real property of whatever nature, including fee simple and leasehold interests and interests in easements and rights of way, whether as owner, mortgagee or holder of a Lien in real property, lessor, sublessor, lessee, sublessee or otherwise, and copies of all related documentation;



- (v) all license agreements, leases of personal property, open purchase orders for newsprint, ink, raw materials, supplies, parts or services, unfilled orders for the manufacture and sale of products and other contracts, agreements or commitments;
- (vi) all deposits (including deposits with vendors), letters of credit and performance and surety bonds;
- (vii) all domestic and foreign patents, copyrights, trade names, trademarks, service marks and registrations and applications for any of the foregoing, mask works, trade secrets, inventions, other proprietary information and licenses from third Persons granting the right to use any of the foregoing;
- (viii) all computer applications, programs and other software, including operating software, network software, firmware, middleware, design software, design tools, systems documentation and instructions;
- (ix) all cost information, sales and pricing data, customer prospect lists, supplier records, customer and supplier lists, records pertaining to customers and customer accounts, customer and vendor data, correspondence and lists, product literature, artwork, design, development and manufacturing files, vendor and customer drawings, formulations and specifications, quality records and reports and other books, records, studies, surveys, reports, plans and documents;
- (x) all prepaid expenses, trade accounts and other accounts and notes receivable;
- (xi) all rights under contracts or agreements, all claims or rights against any Person arising from the ownership of any Asset, all rights in connection with any bids or offers and all claims, choices in action or similar rights, whether accrued or contingent;
- (xii) all insurance proceeds and rights under insurance policies and all rights in the nature of insurance, indemnification or contribution; and
- (xiii) all licenses, permits, approvals and authorizations that have been issued by any Governmental Authority.

“Benefit Plan” means each material “employee benefit plan”, as defined in Section 3(3) of ERISA, each employment, change in control, severance or similar contract, plan, arrangement or policy and each other material plan or arrangement (written or oral) providing for compensation, bonuses, profit-sharing, stock option or other stock related rights or other forms of incentive or deferred compensation (whether funded or unfunded), vacation benefits, insurance (including any self-insured arrangements), health or medical benefits, employee assistance program, disability or sick leave benefits, workers’ compensation, supplemental unemployment benefits, severance benefits and post-employment or retirement benefits (including compensation, pension, health, medical or life insurance benefits).

“Business Day” means a day, other than Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by Applicable Law to close.

“Communications Laws” means the Communications Act of 1934, as amended, and the rules, regulations and written policies of the FCC promulgated pursuant thereto.

“Confidentiality Agreement” means the Confidentiality Agreement dated as of February 28, 2014, between Scripps and Journal.

“Consents” means any consents, waivers or approvals from, or notification requirements to, any Third Parties, other than Governmental Approvals.

“Contract” means any legally binding contract, agreement, note, bond, indenture, debenture, guarantee, mortgage, deed of trust, lease, license, sublease, instrument, arrangement, commitment, obligation or understanding, whether or not in writing.

“Credit Support Arrangement” means guaranties, letters of credit or other credit arrangements issued by or for the account of any Person to support or facilitate business transactions.

“DGCL” means the Delaware General Corporation Law, as amended.

“Distributions” means the Scripps Newspaper Distribution and the Journal Newspaper Distribution.

“Distribution Time” means such time as is mutually agreed by Scripps and Journal for the consummation of the Distributions on the Closing Date.

“Employee Matters Agreement” means the Employee Matters Agreement entered into on the date of this Agreement by Newco and Scripps, attached hereto as Exhibit A.

“Environmental Laws” means all Applicable Laws and all agreements with any Governmental Authority relating to the environment or to Hazardous Substances.

“Environmental Liabilities” means Liabilities or obligations of or relating to any entity, whether accrued, contingent, absolute, determined, determinable or otherwise, arising under or relating to any Environmental Law or any Hazardous Substance.

“Environmental Permits” means all Governmental Approvals required by Environmental Laws and relating to the business of any entity as currently conducted.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“Exchange Act” means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

“Exchange Agent” means Wells Fargo Bank, National Association.

“Exchange Agent Agreement” means the exchange agent agreement to be entered into on or prior to the Closing Date, substantially in the form attached hereto as Exhibit B.

“FCC” means the Federal Communications Commission.

“FCC Licenses” means all licenses, permits and other authorizations issued to Scripps or Journal or their respective Subsidiaries, as applicable, by the FCC.

“First Date” means the date on which the first of the following occurs: (i) the FCC Consent is obtained or (ii) the Registration Statement referred to in clause (i) of the definition of Registration Statement, which includes a joint proxy statement of Scripps and Journal, is declared effective by the SEC; but in no event shall the First Date be earlier than the sixty-first (61<sup>st</sup>) day following the date of this Agreement.

“Fully Diluted Basis” means, as to any Person, all of the issued and outstanding shares of common stock of such Person assuming the exercise of all outstanding options, the conversion of all convertible securities, immediate vesting and lifting of restrictions of all restricted stock or restricted stock units and the settlement of all stock appreciation rights, phantom stock and other similar securities.

“GAAP” means generally accepted accounting principles in effect in the United States at the relevant time, consistently applied.

“Governmental Approvals” means any notices, registrations, reports or other filings to be made with, or any consents, approvals, permits, licenses, authorizations or waivers to be obtained from, any Governmental Authority.

“Governmental Authority” means any transnational, domestic or foreign federal, state or local, governmental or regulatory authority, department, court, agency or official, including any political subdivision thereof, including any contractors of a governmental authority, department or agency as authorized by law, and acting pursuant to the terms and conditions of any such contract.

“Hazardous Substance” means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous substance, waste or material, or any substance, waste or material having any constituent elements displaying any of the foregoing characteristics, including petroleum and petroleum products or derivatives, asbestos and urea formaldehyde, polychlorinated biphenyls, and any other substance, waste or material regulated under any Environmental Law.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder.  
“IRS” means the Internal Revenue Service.

“Journal Acquisition Proposal” means, other than the Transactions, any offer or proposal relating to, or any Third Party indication of interest in, in a single transaction or series of related transactions, any direct or indirect (i) acquisition or purchase, direct or indirect, of 15% or more of the consolidated assets of Journal and its Subsidiaries (based on the fair market value thereof, as determined in good faith by the Board of Directors of Journal or any committee thereof), or assets comprising 15% or more of the consolidated revenues of Journal and its Subsidiaries, including in any such case through the acquisition of one or more Subsidiaries of Journal owning such assets, (ii) acquisition or purchase, direct or indirect, of 15% or more of any class of equity or voting securities of Journal or any of its Subsidiaries whose assets, individually or in the aggregate, constitute more than 15% of the consolidated assets of Journal and its Subsidiaries, (iii) tender offer (including a self-tender offer) or exchange offer that, if consummated, could result in any Person or group beneficially owning 15% or more of any class of equity or voting securities of Journal or any of its Subsidiaries whose assets, individually or in the aggregate, constitute more than 15% of the consolidated assets of Journal and its Subsidiaries, (iv) merger, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving Journal, or any of its Subsidiaries whose assets, individually or in the aggregate, constitute more than 15% of the consolidated assets of Journal and its Subsidiaries or (v) other transaction the consummation of which could reasonably be expected to impede, interfere with, prevent or materially delay the Transactions.

“Journal Benefit Plan” means any Benefit Plan sponsored, maintained or contributed to, or required to be sponsored, maintained or contributed to, by Journal or any of its Subsidiaries.

“Journal Broadcast Assets” means all Assets of Journal and its Subsidiaries other than the Journal Newspaper Assets and including:

- (i) all capital stock or other ownership interests in the Journal Broadcast Entities;
- (ii) all cash and cash equivalents held by the Journal Broadcast Entities;
- (iii) any Assets that are expressly contemplated by the Transaction Agreements (or the schedules thereto) as Assets to be retained by or assigned to Journal or a Subsidiary of Journal (other than the Journal Newspaper Entities);
- (iv) any Assets listed or described on Section 1.01 of the Journal Disclosure Schedule under the heading “Journal Broadcast Assets”;
- (v) the minute books, stock ledgers and Tax records of Journal and its Subsidiaries (other than those pertaining solely to the Journal Newspaper Business);
- (vi) all claims, causes of action and rights of Journal and its Subsidiaries against any Third Party to the extent relating to any Journal Broadcast Liabilities or to any Liabilities for which Journal or its Subsidiaries (other than the Journal Newspaper Entities) is responsible under this Agreement (including rights of set-off, rights to refunds and rights of recoupment from or against any such Third Party);
- (vii) all bank accounts of Journal and its Subsidiaries, other than those of the Journal Newspaper Entities;
- (viii) all stock or other equity interests in any Person (other than in the Journal Newspaper Entities);
- (ix) unless otherwise expressly set forth in the Employee Matters Agreement, any and all Journal Benefit Plans and any assets related thereto or intended to assist in the funding thereof; and
- (x) Assets related to any Overhead and Shared Services, except as described on Section 1.01 of the Journal Disclosure Schedule under the heading “Overhead and Shared Services.”

Subject to the foregoing sentence, in the event that any Asset is included in both the definition of “Journal Newspaper Asset” and “Journal Broadcast Asset” then (A) if it is specifically referred to in a definition or schedule or otherwise (including in any other Transaction Agreement), it shall be treated in accordance with such specific reference and (B) otherwise it shall be

treated as a Journal Newspaper Asset or Journal Broadcast Asset based upon whether it is used or held for use primarily in connection with the Journal Newspaper Business or the Journal Broadcast Business.

“Journal Broadcast Business” means the business of operating the television and radio stations listed on Appendix I attached hereto.

“Journal Broadcast Entities” means the entities listed on Appendix II attached hereto.

“Journal Broadcast Group” means the direct or indirect interest of Journal (either itself or through its direct or indirect Subsidiaries, or any of their predecessors or successors) in all businesses, Assets and Liabilities of Journal and its Subsidiaries, other than the Journal Newspaper Business.

“Journal Broadcast Liabilities” means all Liabilities of Journal and its Subsidiaries other than the Journal Newspaper Liabilities and including, for the avoidance of doubt:

- (i) any Liabilities that are expressly contemplated by the Transaction Agreements (or the schedules thereto) as Liabilities to be retained or assumed by Journal or a Subsidiary of Journal (other than any Journal Newspaper Entity), and all agreements, obligations and Liabilities of Journal or a Subsidiary of Journal (other than any Journal Newspaper Entity) under the Transaction Agreements;
- (ii) all Liabilities of the Journal Broadcast Entities;
- (iii) all Liabilities to the extent related to Journal Broadcast Assets; and
- (iv) all Liabilities listed or described on Section 1.01 of the Journal Disclosure Schedule under the heading “Journal Broadcast Liabilities”.

Subject to the foregoing sentence, in the event that any Liability is included in both the definition of “Journal Newspaper Liability” and “Journal Broadcast Liability” then (A) if it is specifically referred to in a definition or schedule or otherwise (including in any of the other Transaction Agreements), it shall be treated in accordance with such specific reference and (B) otherwise it shall be treated as a Journal Newspaper Liability or Journal Broadcast Liability to the extent it relates to the Journal Newspaper Business or the Journal Broadcast Business, respectively.

“Journal Class A Common Stock” means the Class A Common Stock, \$0.01 par value per share, of Journal.

“Journal Class B Common Stock” means the Class B Common Stock, \$0.01 par value per share, of Journal.

“Journal Common Stock” means the Journal Class A Common Stock and the Journal Class B Common Stock.

“Journal Credit Agreement” means the Second Amended and Restated Credit Agreement, dated as of December 5, 2012, among Journal Communications, Inc., certain subsidiaries thereof, the several lenders party thereto, U.S. Bank National Association, as administrative agent, and Sun Trust Bank and Bank of America, N.A., as co-syndication agents.

“Journal Disclosure Schedule” means the disclosure schedule dated the date hereof regarding this Agreement that has been provided by Journal to Scripps.

“Journal Employee Stock Purchase Plan” means the Journal Communications, Inc. 2003 Employee Stock Purchase Plan, as amended and restated through December 8, 2009.

“Journal Equity Value” means the amount equal to (i) the number of issued and outstanding shares of Journal Common Stock, multiplied by (ii) the closing sale share price of Journal Class A Common Stock as reported by the Wall Street Journal, in each case as of the close of business on the next Business Day after the first day on which the Transactions shall have been publicly announced.

“Journal Material Adverse Effect” means (i) with respect to the Journal Newspaper Business, a material adverse effect on the condition (financial or otherwise), business, assets or results of operations of the Journal Newspaper Business, taken as a whole, or on the ability of Journal to perform in all material respects its obligations under this Agreement, excluding any such effect resulting from or arising in connection with (A) changes or conditions generally affecting the industries in which the Journal Newspaper Business (including the Journal Newspaper Entities) operates, but only to the extent the effect on the Journal Newspaper Business, taken as a whole, is not materially worse than the effect on the Scripps Newspaper Business, taken as a whole, (B) changes in general economic, regulatory (including changes in Applicable Laws, accounting rules or

interpretations of the foregoing) or political conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon or within the United States, but only to the extent the effect on the Journal Newspaper Business, taken as a whole, is not materially worse than the effect on the Scripps Newspaper Business, taken as a whole, (C) the announcement of this Agreement or of the Transactions, (D) any decline in the market price, or change in trading volume, of the capital stock of Journal, or (E) any failure of Journal and its consolidated Subsidiaries to meet any internal or public projections, forecasts, guidance, estimates, milestones, budgets or internal or published financial or operating predictions of revenue, earnings, cash flow or cash position; and (ii) with respect to the Journal Broadcast Business, a material adverse effect on the condition (financial or otherwise), business, assets or results of operations of the Journal Broadcast Business, taken as a whole, or on the ability of Journal to perform in all material respects its obligations under this Agreement, excluding any such effect resulting from or arising in connection with (A) changes or conditions generally affecting the industries in which the Journal Broadcast Business (including the Journal Broadcast Entities) operate, but only to the extent the effect on the Journal Broadcast Business, taken as a whole, is not materially worse than the effect on the Scripps Broadcast Business, taken as a whole, (B) changes in general economic, regulatory (including changes in Applicable Laws, accounting rules or interpretations of the foregoing) or political conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon or within the United States, but only to the extent the effect on the Journal Broadcast Business, taken as a whole, is not materially worse than the effect on the Scripps Broadcast Business, taken as a whole, (C) the announcement of this Agreement or of the Transactions, (D) any decline in the market price, or change in trading volume, of the capital stock of Journal, or (E) any failure of Journal and its consolidated Subsidiaries to meet any internal or public projections, forecasts, guidance, estimates, milestones, budgets or internal or published financial or operating predictions of revenue, earnings, cash flow or cash position.

“Journal Newspaper Assets” means any Assets that are owned, used or held for use by Journal or any of its Subsidiaries primarily in connection with the Journal Newspaper Business as the same shall exist on the Closing Date, including:

- (i) the Assets of the Journal Newspaper Business, the Journal Newspaper Entities and the Journal Newspaper Group (other than cash and cash equivalents retained as Journal Broadcast Assets), unless disposed of to Third Parties after the date thereof;
- (ii) any Journal Newspaper Contracts;
- (iii) any capital stock or other ownership interests in the Journal Newspaper Entities;
- (iv) all right, title and interest of Journal and its Subsidiaries (to the extent relating to the Journal Newspaper Business) in the Journal Newspaper Leases set forth on Section 8.19(a) of the Journal Disclosure Schedule and in the Journal Newspaper Owned Properties set forth on Section 8.19(b) of the Journal Disclosure Schedule;
- (v) all rights relating to Journal’s names and Websites, including the right to use Journal’s names in any format, except for the Websites of the Journal Broadcast Business;
- (vi) any Assets that are expressly contemplated by the Transaction Agreements (or the schedules thereto) as Assets to be retained by or assigned to the Journal Newspaper Business or any Journal Newspaper Entity;
- (vii) any Governmental Approvals held in the name of Journal or any of its Subsidiaries that are solely related to the Journal Newspaper Business;
- (viii) the minute books, stock ledgers and Tax records pertaining solely to the Journal Newspaper Business, and copies of the Tax records of Journal and its other Subsidiaries that pertain partly to the Journal Newspaper Business; and
- (ix) any Assets listed or described on Section 1.01 of the Journal Disclosure Schedule under the heading “Journal Newspaper Assets”.

Subject to the foregoing sentence, in the event that any Asset is included in both the definition of “Journal Newspaper Asset” and “Journal Broadcast Asset” then (A) if it is specifically referred to in a definition or schedule or otherwise (including in any other Transaction Agreement), it shall be treated in accordance with such specific reference and (B) otherwise it shall be treated as a Journal Newspaper Asset or Journal Broadcast Asset based upon whether it is used or held for use primarily in connection with the Journal Newspaper Business or primarily in connection with the Journal Broadcast Business.

“Journal Newspaper Business” means the business of publishing and distributing the newspapers listed on Appendix III attached hereto.

“Journal Newspaper Contracts” means the following Contracts to which Journal or any of its Subsidiaries is a party or by which it or any of its Subsidiaries or any of their respective Assets is bound, whether or not in writing:

- (i) any Contract that relates primarily to the Journal Newspaper Business;
- (ii) any Contract or other instrument representing Journal Newspaper Liabilities;
- (iii) any Contract that is expressly contemplated pursuant to this Agreement or any of the other Transaction Agreements to be assigned or transferred to or retained by a Journal Newspaper Entity; and
- (iv) any guarantee, indemnity, representation, warranty or other Liability of Journal or any of its Subsidiaries in respect of any Journal Newspaper Contract, any Journal Newspaper Liability or the Journal Newspaper Business.

Notwithstanding the preceding sentence, “Journal Newspaper Contracts” do not include any such Contract that is expressly contemplated to be assigned to or retained by Journal or any of its Subsidiaries (other than the Journal Newspaper Entities) pursuant to any Transaction Agreement.

With respect to any Contract that relates in material part to both the Journal Newspaper Business and the Journal Broadcast Business and that is not specifically contemplated by this Agreement to be assigned to or retained by the Journal Newspaper Entities or Journal and its Subsidiaries (other than the Journal Newspaper Entities), the parties hereto will cooperate in good faith to apportion the rights and obligations thereunder to the Journal Newspaper Business and the Journal Broadcast Business, and to treat such Contract as a Journal Newspaper Contract only to the extent relating to the Journal Newspaper Business.

“Journal Newspaper Distribution” means the distribution on the Closing Date by Journal to the holders of Journal Common Stock of shares of Journal Spinco Common Stock upon the terms and conditions more fully set forth in Section 3.06.

“Journal Newspaper Entities” means Journal Spinco and each of its Subsidiaries.

“Journal Newspaper Exchange Ratio” shall have the meaning ascribed thereto in Section 6.01(a) of this Agreement.

“Journal Newspaper Group” means the direct or indirect interest of Journal (either itself or through its direct or indirect Subsidiaries, or any of their predecessors or successors) in the Journal Newspaper Business.

“Journal Newspaper Liabilities” means:

- (i) any Liabilities that are expressly contemplated by the Transaction Agreements (or the schedules thereto) as Liabilities to be retained or assumed by any Journal Newspaper Entity and all agreements, obligations and Liabilities of any Journal Newspaper Entity under the Transaction Agreements;
- (ii) all Liabilities listed or described on Section 1.01 of the Journal Disclosure Schedule under the heading “Journal Newspaper Liabilities”; and
- (iii) any Liabilities, including any employee-related Liabilities except as expressly set forth in the Tax Matters Agreements Employee Matters Agreement, and Environmental Liabilities, primarily relating to, arising out of or resulting from (whether arising before, on or after the Closing Date):
  - (A) the Journal Newspaper Group, including the operation of the Journal Newspaper Business, as conducted at any time prior to, on or after the Closing Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person’s authority));
  - (B) the operation of any business conducted by any Journal Newspaper Entity at any time after the Closing Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person’s authority)); or

(C) any Journal Newspaper Asset.

Subject to the foregoing sentence, in the event that any Liability is included in both the definition of “Journal Newspaper Liability” and “Journal Broadcast Liability” then (1) if it is specifically referred to in a definition or schedule or otherwise (including in any of the other Transaction Agreements), it shall be treated in accordance with such specific reference and (2) otherwise it shall be treated as a Journal Newspaper Liability or Journal Broadcast Liability to the extent it relates to the business of the Journal Newspaper Group or the Journal Broadcast Group, respectively. Notwithstanding the foregoing, the term “Journal Newspaper Liabilities” shall not include (Y) any Tax liability attributable to any gain recognized by Journal (or by any entity that is a Subsidiary of Journal immediately prior to the Journal Newspaper Distribution) as a result of the Journal Newspaper Distribution or (Z) any Journal Liabilities, except as set forth on Section 1.01 of the Journal Disclosure Schedule under the heading “Journal Newspaper Liabilities” or for services provided pursuant to the Transition Services Agreement.

“Journal Qualifying Party” shall mean any Person from whom Journal has received, after the date of this Agreement and prior to 11:59 p.m., Central Time, on the thirtieth (30<sup>th</sup>) day following the date of this Agreement, an unsolicited written Journal Acquisition Proposal that the Journal Board of Directors determines in good faith, after consultation with a nationally recognized financial advisor and outside legal counsel, is bona fide and constitutes or is reasonably likely to result in a Journal Superior Proposal; *provided, however*, that any Journal Qualifying Party shall cease to be a Journal Qualifying Party for all purposes under this Agreement at such time as such Journal Acquisition Proposal made by such Person (including all revisions, modifications, changes or amendments to such Journal Acquisition Proposal made in the course of negotiations between such Journal Qualifying Party and Journal) is formally rejected, withdrawn, terminated, expires or no longer constitutes or is reasonably likely to result in a Journal Superior Proposal; and *provided, further*, that any Journal Qualifying Party shall cease to be a Journal Qualifying Party for all purposes under this Agreement after 11:59 p.m., Central Time, on the sixtieth (60<sup>th</sup>) day following the date of this Agreement.

“Journal RSUs” means the outstanding grants of restricted stock units with respect to Journal Common Stock granted under any stock incentive or other plan or arrangement of Journal.

“Journal SARs” means the outstanding grants of stock appreciation rights with respect to Journal Common Stock granted under any stock incentive or other plan or arrangement of Journal.

“Journal Shareholder Approval” means the approval of (i) the Journal Newspaper Distribution and the Journal Newspaper Merger and (ii) the Broadcast Merger, both by the affirmative vote of the holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of the outstanding shares of Journal Class A Common Stock and Journal Class B Common Stock, voting together as one class, entitled to vote at the Journal Shareholders’ Meeting or any adjournment, postponement or recess thereof.

“Journal Shareholders” means the holders of Journal Common Stock.

“Journal Spinco Common Stock” means the Common Stock, par value \$0.01 per share, of Journal Spinco.

“Journal Stations” means the full-power broadcast radio and television stations whose licenses are listed as Primary Journal FCC Licenses on Section 8.14(a) of the Journal Disclosure Schedule.

“Journal Stock Option” means any option to purchase shares of Journal Class B Common Stock granted under any employee stock option or compensation plan or arrangement of Journal.

“Journal Superior Proposal” means any bona fide, unsolicited written Journal Acquisition Proposal made by a Third Party that the Journal Board in good faith determines, after having received the advice of a nationally recognized financial advisor and outside legal counsel, taking into account, among other things, all legal, financial, regulatory and other terms of the proposal and the Person making the proposal, including any break-up fees, expense reimbursement provisions and conditions to and expected timing and risks of consummation, the form of consideration offered and the ability of the person making such Journal Acquisition Proposal to obtain financing, and any changes to the terms of this Agreement proposed by Scripps in response to such offer or proposal or otherwise, to be more favorable, including without limitation from a financial point of view, to Journal and the Journal Shareholders than the Transactions, is reasonably likely to be consummated, and for which financing, to the extent required, is then fully committed or is reasonably determined by the Journal Board to be attainable. For purposes of the definition of “Journal Superior Proposal,” (A) each reference to “15% or more” or “more than 15%” in the definition of “Journal Acquisition Proposal” shall be replaced with “100%”, (B) clauses (ii) and (iii) of the definition of “Journal Acquisition Proposal” shall be read without the references to “any class of equity or” and (C) “100% of the voting securities of” shall be added immediately preceding the first reference to “Journal” in clause (iv) of the definition of “Journal Acquisition Proposal”.

“Knowledge” of Scripps or Journal, as the case may be, means the knowledge, after reasonable inquiry, of such Person’s employees set forth on Section 1.01 of the Scripps Disclosure Schedule or Section 1.01 of the Journal Disclosure Schedule, as the case may be, under the heading “Knowledge of Scripps” or “Knowledge of Journal”, as the case may be.

“Liabilities” means any and all losses, claims, charges, debts, demands, Actions, damages, obligations, payments, costs and expenses, bonds, indemnities and similar obligations, covenants, controversies, promises, omissions, guarantees, make whole agreements and similar obligations, and other liabilities, including all contractual obligations, whether absolute or contingent, inchoate or otherwise, matured or unmatured, liquidated or unliquidated, accrued or unaccrued, known or unknown, whenever arising, and including those arising under any law, rule, regulation, Action, threatened or contemplated Action (including the costs and expenses of demands, assessments, judgments, settlements and compromises relating thereto and attorneys’ fees and any and all costs and expenses, whatsoever reasonably incurred in investigating, preparing or defending against any such Actions or threatened or contemplated Actions), order or consent decree of any Governmental Authority or any award of any arbitrator or mediator of any kind, and those arising under any Contract or undertaking, including those arising under the Transaction Agreements or incurred by a party thereto in connection with enforcing its rights to indemnification thereunder, in each case, whether or not recorded or reflected or required to be recorded or reflected on the books and records or financial statements of any Person.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, encumbrance or other adverse claim of any kind in respect of such property or asset. For purposes of this Agreement, a Person shall be deemed to own subject to a Lien any property or asset that it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement relating to such property or asset.

“Newco Common Stock” means the Common Stock, par value \$0.01 per share, of Newco.

“Newspaper Merger Subs” means Scripps Newspaper Merger Sub and Journal Newspaper Merger Sub.

“NYSE” means the New York Stock Exchange LLC.

“ORC” means the Ohio Revised Code, as amended.

“Organizational Documents” means articles or certificate of incorporation, bylaws, code of regulations, or other organizational documents.

“Overhead and Shared Services” means (i) in the case of the Journal Newspaper Business, ancillary corporate or shared services provided by Journal and its Subsidiaries (other than the Journal Newspaper Entities) to or in support of the Journal Newspaper Business that are general corporate or other overhead services or provided to both the Journal Newspaper Business and other businesses of Journal and its Subsidiaries and (ii) in the case of the Scripps Newspaper Business, ancillary corporate or shared services provided by Scripps and its Subsidiaries (other than the Scripps Newspaper Entities) to or in support of the Scripps Newspaper Business that are general corporate or other overhead services or provided to both the Scripps Newspaper Business and other businesses of Scripps and its Subsidiaries, in the case of either (i) or (ii), which may include, as applicable, access to hardware and software related to general corporate or overhead functions, travel and entertainment services, temporary or contract labor services, office supplies services (including copiers), computer hardware and software services, fleet services, energy/utilities services, procurement, sales and marketing services, treasury and cash processing services, public relations, legal and risk management (including insurance) services (including workers’ comp), executive office expense, payroll services, information technology and telecommunications services, consolidation and technical accounting, tax services, accounting and internal audit services, employee benefits services, credit, billing, collections, accounts receivable and accounts payable services, freight, logistics and expediter services, property management services and environmental support services, in each case including services relating to the provision of access to information, operating and reporting systems and databases and all hardware and software used in connection therewith.

“Per Share Broadcast Merger Consideration” or “Broadcast Exchange Ratio” means 0.5176 of a Scripps Class A Common Share.

“Permitted Liens” means (i) Liens securing indebtedness reflected, in the case of Scripps, in the unaudited balance sheet of Scripps as of March 31, 2014 included in the Scripps Quarterly Report on Form 10-Q for the quarter ended March 31, 2014, and, in the case of Journal, in the unaudited balance sheet of Journal as of March 30, 2014 included in the Journal Quarterly Report on Form 10-Q for the quarter ended March 30, 2014, (ii) nonmonetary Liens consisting of zoning or planning restrictions, permits, recorded easements, covenants and other restrictions or limitations on the use or occupancy of real property or nonmonetary imperfections in or nonmonetary encumbrances affecting title thereto, which would not, individually or in the aggregate, reasonably be expected to materially impair the use of such property as it is presently used in connection



with the business or materially and adversely affect the value of such property, and Liens affecting lessor's interest in any leased premises; provided, however, the foregoing shall not limit any representations and warranties of the parties in this Agreement, (iii) Liens for current Taxes, assessments or governmental charges or levies on property not yet due or which are being contested in good faith and for which adequate reserves have been created in accordance with GAAP, (iv) mechanics', carriers', workmen's, materialmen's, repairmen's and similar Liens arising in the ordinary course of business consistent with past practice for amounts not in default or which are being contested in good faith and for which adequate reserves have been created in accordance with GAAP, and (v) nonmonetary Liens which would not, individually or in the aggregate, reasonably be expected to materially and adversely affect the use of such assets in the business or the value of such assets.

“Person” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including any Governmental Authority.

“Record Date” means the close of business on such date as is mutually agreed upon by Scripps and Journal.

“Registration Statement(s)” means (i) the registration statement on Form S-4 (which shall include a joint proxy statement) to be filed by Scripps to register under the Securities Act the Scripps Class A Common Shares to be issued in the Broadcast Merger (together with any amendments or supplements thereto) and (ii) the combined registration statement on Form S-1/S-4 to register under the Securities Act and the Exchange Act, as applicable, the Newco Common Stock to be issued and distributed in connection with the Newspaper Mergers (together with any amendments or supplements thereto).

“Representatives” means, with respect to any Person, its directors, officers, employees, consultants, agents, investment bankers, financial advisors, attorneys, accountants and other representatives.

“Sarbanes-Oxley Act” means the Sarbanes-Oxley Act of 2002, as amended, and the rules and regulations promulgated thereunder.

“Scripps Acquisition Proposal” means, other than the Transactions, any offer or proposal relating to, or any Third Party indication of interest in, in a single transaction or series of related transactions, any direct or indirect (i) acquisition or purchase, direct or indirect, of 15% or more of the consolidated assets of Scripps and its Subsidiaries (based on the fair market value thereof, as determined in good faith by the Board of Directors of Scripps or any committee thereof), or assets comprising 15% or more of the consolidated revenue of Scripps and its Subsidiaries, including in any such case through the acquisition of one or more Subsidiaries of Scripps owning such assets, (ii) acquisition or purchase, direct or indirect, of 15% or more of any class of equity or voting securities of Scripps or any of its Subsidiaries whose assets, individually or in the aggregate, constitute more than 15% of the consolidated assets of Scripps and its Subsidiaries, (iii) tender offer (including a self-tender offer) or exchange offer that, if consummated, could result in any Person or group beneficially owning 15% or more of any class of equity or voting securities of Scripps or any of its Subsidiaries whose assets, individually or in the aggregate, constitute more than 15% of the consolidated assets of Scripps and its Subsidiaries, (iv) merger, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving Scripps, or any of its Subsidiaries whose assets, individually or in the aggregate, constitute more than 15% of the consolidated assets of Scripps and its Subsidiaries or (v) other transaction the consummation of which could reasonably be expected to impede, interfere with, prevent or materially delay the Transactions.

“Scripps Benefit Plan” means any Benefit Plan sponsored, maintained or contributed to, or required to be sponsored, maintained or contributed to, by Scripps or any of its Subsidiaries.

“Scripps Broadcast Assets” means all Assets of Scripps and its Subsidiaries other than the Scripps Newspaper Assets and including:

- (i) all capital stock or other ownership interests in the Scripps Broadcast Entities;
- (ii) all cash and cash equivalents held by the Scripps Newspaper Entities;
- (iii) any Assets that are expressly contemplated by the Transaction Agreements (or the schedules thereto) as Assets to be retained by or assigned to Scripps or a Subsidiary of Scripps (other than the Scripps Newspaper Entities);
- (iv) any Assets listed or described on Section 1.01 of the Scripps Disclosure Schedule under the heading “Scripps Broadcast Assets”;

- (v) the minute books, stock ledgers and Tax records of Scripps and its Subsidiaries (other than those pertaining solely to the Scripps Newspaper Business);
- (vi) all claims, causes of action and rights of Scripps and its Subsidiaries against any Third Party to the extent relating to any Scripps Broadcast Liabilities or to any Liabilities for which Scripps or its Subsidiaries (other than the Scripps Newspaper Entities) is responsible under this Agreement (including rights of set-off, rights to refunds and rights of recoupment from or against any such Third Party);
- (vii) all rights relating to Scripps's names and Websites, including the right to use Scripps's names in any format, except for the Websites of the Scripps Newspaper Business;
- (viii) all bank accounts of Scripps and its Subsidiaries, other than those of the Scripps Newspaper Entities;
- (ix) all stock or other equity interests in any Person (other than in the Scripps Newspaper Entities);
- (x) unless otherwise expressly set forth in the Employee Matters Agreement, any and all Scripps Benefit Plans and any assets related thereto or intended to assist in the funding thereof; and
- (xi) Assets related to any Overhead and Shared Services.

Subject to the foregoing sentence, in the event that any Asset is included in both the definition of "Scripps Newspaper Assets" and "Scripps Broadcast Assets" then (A) if it is specifically referred to in a definition or schedule or otherwise (including in any other Transaction Agreement), it shall be treated in accordance with such specific reference and (B) otherwise it shall be treated as a Scripps Newspaper Asset or Scripps Broadcast Asset based upon whether it is used or held for use primarily in connection with the Scripps Newspaper Business or primarily in connection with the Scripps Broadcast Business.

"Scripps Broadcast Business" means the business of operating the television stations listed on Appendix IV attached hereto.

"Scripps Broadcast Entities" means the entities listed on Appendix V attached hereto.

"Scripps Broadcast Group" means the direct or indirect interest of Scripps (either itself or through its direct or indirect Subsidiaries, or any of their predecessors or successors) in all businesses, Assets and Liabilities of Scripps and its Subsidiaries, other than the Scripps Newspaper Business.

"Scripps Broadcast Liabilities" means all Liabilities of Scripps and its Subsidiaries other than the Scripps Newspaper Liabilities and including, for the avoidance of doubt:

- (i) any Liabilities that are expressly contemplated by the Transaction Agreements (or the schedules thereto) as Liabilities to be retained or assumed by Scripps or a Subsidiary of Scripps (other than any Scripps Newspaper Entity), and all agreements, obligations and Liabilities of Scripps or a Subsidiary of Scripps (other than any Scripps Newspaper Entity) under the Transaction Agreements;
- (ii) all Liabilities of the Scripps Broadcast Entities;
- (iii) all Liabilities to the extent related to Scripps Broadcast Assets; and
- (iv) all Liabilities listed or described on Section 1.01 of the Scripps Disclosure Schedule under the heading "Scripps Broadcast Liabilities".

Subject to the foregoing sentence, in the event that any Liability is included in both the definition of "Scripps Newspaper Liabilities" and "Scripps Broadcast Liabilities" then (A) if it is specifically referred to in a definition or schedule or otherwise (including in any of the other Transaction Agreements), it shall be treated in accordance with such specific reference and (B) otherwise it shall be treated as a Scripps Newspaper Liability or Scripps Broadcast Liability to the extent it relates to the Scripps Newspaper Group or the Scripps Broadcast Group, respectively.

"Scripps Class A Common Shares" means the Class A Common Shares, par value \$0.01 per share, of Scripps.

"Scripps Common Shares" means the Scripps Class A Common Shares and the Scripps Common Voting Shares.

“Scripps Common Voting Shares” means the Common Voting Shares, par value of \$0.01 per share, of Scripps.

“Scripps Credit Agreement” means the Amended and Restated Revolving Credit and Term Loan Agreement dated as of November 26, 2013, among The E. W. Scripps Company, as Borrower, the Lenders from time to time party thereto, as Lenders, SunTrust Bank, as Administrative Agent, Wells Fargo Bank, National Association, as Documentation Agent, and Royal Bank of Canada, as Syndication Agent.

“Scripps Disclosure Schedule” means the disclosure schedule dated the date hereof regarding this Agreement that has been provided by Scripps to Journal.

“Scripps Family Agreement” means that certain Scripps Family Agreement, dated October 15, 1992, as amended.

“Scripps Material Adverse Effect” means (i) with respect to the Scripps Newspaper Business, a material adverse effect on the condition (financial or otherwise), business, assets or results of operations of the Scripps Newspaper Business, taken as a whole, or on the ability of Scripps to perform in all material respects its obligations under this Agreement, excluding any such effect resulting from or arising in connection with (A) changes or conditions generally affecting the industries in which the Scripps Newspaper Business (including the Scripps Newspaper Entities) operates, but only to the extent the effect on the Scripps Newspaper Business, taken as a whole, is not materially worse than the effect on the Journal Newspaper Business, taken as a whole, (B) changes in general economic, regulatory (including changes in Applicable Laws, accounting rules or interpretations of the foregoing) or political conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon or within the United States, but only to the extent the effect on the Scripps Newspaper Business, taken as a whole, is not materially worse than the effect on the Journal Newspaper Business, taken as a whole, (C) the announcement of this Agreement or of the Transactions, (D) any decline in the market price, or change in trading volume, of the capital stock of Scripps, or (E) any failure of Scripps and its consolidated Subsidiaries to meet any internal or public projections, forecasts, guidance, estimates, milestones, budgets or internal or published financial or operating predictions of revenue, earnings, cash flow or cash position; and (ii) with respect to the Scripps Broadcast Business, a material adverse effect on the condition (financial or otherwise), business, assets or results of operations of the Scripps Broadcast Business, taken as a whole, or on the ability of Scripps to perform in all material respects its obligations under this Agreement, excluding any such effect resulting from or arising in connection with (A) changes or conditions generally affecting the industries in which the Scripps Broadcast Business (including the Scripps Broadcast Entities) operate, but only to the extent the effect on the Scripps Broadcast Business, taken as a whole, is not materially worse than the effect on the Journal Broadcast Business, taken as a whole, (B) changes in general economic, regulatory (including changes in Applicable Laws, accounting rules or interpretations of the foregoing) or political conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon or within the United States, but only to the extent the effect on the Scripps Broadcast Business, taken as a whole, is not materially worse than the effect on the Journal Broadcast Business, taken as a whole, (C) the announcement of this Agreement or of the Transactions, (D) any decline in the market price, or change in trading volume, of the capital stock of Scripps, or (E) any failure of Scripps and its consolidated Subsidiaries to meet any internal or public projections, forecasts, guidance, estimates, milestones, budgets or internal or published financial or operating predictions of revenue, earnings, cash flow or cash position.

“Scripps Newspaper Assets” means any Assets that are owned, used or held for use by Scripps or any of its Subsidiaries primarily in connection with the Scripps Newspaper Business, including:

(i) the Assets of the Scripps Newspaper Business, the Scripps Newspaper Entities and the Scripps Newspaper Group, unless disposed of to Third Parties after the date thereof;

(ii) any Scripps Newspaper Contracts;

(iii) any capital stock or other ownership interests in Memphis Publishing Company, a Delaware corporation, Evansville Courier Company, Inc., an Indiana corporation, Wanderful Media, LLC, a Delaware limited liability company, Starline Printing LLLP, a New Mexico limited liability limited partnership, or Albuquerque Publishing Company, a New Mexico general partnership;

(iv) all right, title and interest of Scripps and its Subsidiaries (to the extent relating to the Scripps Newspaper Business) in the Scripps Newspaper Leases set forth on Section 7.19(a) of the Scripps Disclosure Schedule and in the Scripps Newspaper Owned Properties set forth on Section 7.19(b) of the Scripps Disclosure Schedule;

(v) any Assets that are expressly contemplated by the Transaction Agreements (or the schedules thereto) as Assets to be retained by or assigned to the Scripps Newspaper Business or any Scripps Newspaper Entity;

- (vi) any Governmental Approvals held in the name of Scripps or any of its Subsidiaries that are solely related to the Scripps Newspaper Business;
- (vii) the minute books, stock ledgers and Tax records pertaining solely to the Scripps Newspaper Business, and copies of the Tax records of Scripps and its other Subsidiaries that pertain partly to the Scripps Newspaper Business; and
- (viii) any Assets listed or described on Section 1.01 of the Scripps Disclosure Schedule under the heading “Scripps Newspaper Assets”.

Subject to the foregoing sentence, in the event that any Asset is included in both the definition of “Scripps Newspaper Assets” and “Scripps Broadcast Assets” then (A) if it is specifically referred to in a definition or schedule or otherwise (including in any other Transaction Agreement), it shall be treated in accordance with such specific reference and (B) otherwise it shall be treated as a Scripps Newspaper Asset or Scripps Broadcast Asset based upon whether it is used or held for use primarily in connection with the Scripps Newspaper Business or primarily in connection with the Scripps Broadcast Business.

“Scripps Newspaper Business” means the business of publishing and distributing the newspapers listed on Appendix VI attached hereto.

“Scripps Newspaper Contracts” means the following Contracts to which Scripps or any of its Subsidiaries is a party or by which it or any of its Subsidiaries or any of their respective Assets is bound, whether or not in writing:

- (i) any Contract that relates primarily to the Scripps Newspaper Business;
- (ii) any Contract or other instrument representing Scripps Newspaper Liabilities;
- (iii) any Contract that is expressly contemplated pursuant to this Agreement or any of the other Transaction Agreements to be assigned or transferred to or retained by a Scripps Newspaper Entity; and
- (iv) any guarantee, indemnity, representation, warranty or other Liability of Scripps or any of its Subsidiaries in respect of any Scripps Newspaper Contract, any Scripps Newspaper Liability or the Scripps Newspaper Business.

Notwithstanding the preceding sentence, “Scripps Newspaper Contracts” do not include any such Contract that is expressly contemplated to be assigned to or retained by Scripps or any of its Subsidiaries (other than the Scripps Newspaper Entities) pursuant to any Transaction Agreement.

With respect to any Contract that relates in material part to both the Scripps Newspaper Business and the Scripps Broadcast Business and that is not specifically contemplated by this Agreement to be assigned to or retained by the Scripps Newspaper Entities or Scripps and its Subsidiaries (other than the Scripps Newspaper Entities), the parties hereto will cooperate in good faith to apportion the rights and obligations thereunder to the Scripps Newspaper Business and the Scripps Broadcast Business, and to treat such Contract as a Scripps Newspaper Contract only to the extent relating to the Scripps Newspaper Business.

“Scripps Newspaper Distribution” means the distribution on the Closing Date by Scripps to the holders of Scripps Common Shares of shares of Scripps Spinco Common Stock upon the terms and conditions more fully set forth in Section 2.06.

“Scripps Newspaper Distribution Amendment” means the amendment of the Articles of Incorporation of Scripps to permit the Scripps Newspaper Distribution to be effected with Scripps Spinco Common Stock.

“Scripps Newspaper Entities” means Scripps Spinco and each of its Subsidiaries.

“Scripps Newspaper Exchange Ratio” shall have the meaning ascribed thereto in Section 6.01(a) of this Agreement.

“Scripps Newspaper Group” means the direct or indirect interest of Scripps (either itself or through its direct or indirect Subsidiaries, or any of their predecessors or successors) in the Scripps Newspaper Business.

“Scripps Newspaper Liabilities” means:

(i) any Liabilities that are expressly contemplated by the Transaction Agreements (or the schedules thereto) as Liabilities to be retained or assumed by any Scripps Newspaper Entity and all agreements, obligations and Liabilities of any Scripps Newspaper Entity under the Transaction Agreements;

(ii) all Liabilities listed or described on Section 1.01 of the Scripps Disclosure Schedule under the heading “Scripps Newspaper Liabilities”; and

(iii) any Liabilities, including any employee-related Liabilities except as expressly set forth in the Tax Matters Agreements, Employee Matters Agreement, and Environmental Liabilities, primarily relating to, arising out of or resulting from (whether arising before, on or after the Closing Date):

(A) the Scripps Newspaper Group, including the operation of the Scripps Newspaper Business, as conducted at any time prior to, on or after the Closing Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person’s authority));

(B) the operation of any business conducted by any Scripps Newspaper Entity at any time after the Closing Date (including any Liability relating to, arising out of or resulting from any act or failure to act by any director, officer, employee, agent or representative (whether or not such act or failure to act is or was within such Person’s authority)); or

(C) any Scripps Newspaper Asset.

Subject to the foregoing sentence, in the event that any Liability is included in both the definition of “Scripps Newspaper Liabilities” and “Scripps Broadcast Liabilities” then (1) if it is specifically referred to in a definition or schedule or otherwise (including in any of the other Transaction Agreements), it shall be treated in accordance with such specific reference and (2) otherwise it shall be treated as a Scripps Newspaper Liability or Scripps Broadcast Liability to the extent it relates to the business of the Scripps Newspaper Group or the Scripps Broadcast Group, respectively. Notwithstanding the foregoing, the term “Scripps Newspaper Liabilities” shall not include any Scripps Liabilities, except as set forth on Section 1.01 of the Scripps Disclosure Schedule under the heading “Scripps Newspaper Liabilities” or for services provided pursuant to the Transition Services Agreement.

“Scripps RSUs” means the outstanding grants of restricted stock units with respect to Scripps Class A Common Shares granted under any stock incentive or other plan or arrangement of Scripps.

“Scripps Shareholder Approval” means the approval of the Scripps Newspaper Distribution Amendment and the issuance of Scripps Class A Common Shares in the Broadcast Merger by the affirmative vote of holders of a majority of the outstanding Scripps Common Voting Shares represented and entitled to vote at each of the Scripps Family Meeting and the Scripps Shareholders’ Meeting.

“Scripps Qualifying Party” shall mean any Person from whom Scripps has received, after the date of this Agreement and prior to 11:59 p.m., Central Time, on the thirtieth (30<sup>th</sup>) day following the date of this Agreement, an unsolicited written Scripps Acquisition Proposal that the Scripps Board of Directors determines in good faith, after consultation with a nationally recognized financial advisor and outside legal counsel, is bona fide and constitutes or is reasonably likely to result in a Scripps Superior Proposal; *provided, however*, that any Scripps Qualifying Party shall cease to be a Scripps Qualifying Party for all purposes under this Agreement at such time as such Scripps Acquisition Proposal made by such Person (including all revisions, modifications, changes or amendments to such Scripps Acquisition Proposal made in the course of negotiations between such Scripps Qualifying Party and Scripps) is formally rejected, withdrawn, terminated, expires or no longer constitutes or is reasonably likely to result in a Scripps Superior Proposal; and *provided, further*, that any Scripps Qualifying Party shall cease to be a Scripps Qualifying Party for all purposes under this Agreement after 11:59 p.m., Central Time, on the sixtieth (60<sup>th</sup>) day following the date of this Agreement.

“Scripps Shareholders” means the holders of Scripps Common Shares.

“Scripps Spinco Common Stock” means the Common Stock, par value \$0.01 per share, of Scripps Spinco.

“Scripps Stations” means the full-power broadcast television stations whose licenses are listed as Primary FCC Licenses on Section 7.14(a) of the Scripps Disclosure Schedule.

“Scripps Stock Option” means any option to purchase Scripps Class A Common Shares granted under any employee stock option or compensation plan or arrangement of Scripps.

“Scripps Superior Proposal” means any bona fide, unsolicited written Scripps Acquisition Proposal made by a Third Party that the Scripps Board in good faith determines, after having received the advice of a nationally recognized financial advisor and outside legal counsel, taking into account, among other things, all legal, financial, regulatory and other terms of the proposal and the Person making the proposal, including any break-up fees, expense reimbursement provisions and conditions to and expected timing and risks of consummation, the form of consideration offered and the ability of the person making such Scripps Acquisition Proposal to obtain financing, and any changes to the terms of this Agreement proposed by Journal in response to such offer or proposal or otherwise, to be more favorable, including without limitation from a financial point of view, to Scripps and the Scripps Shareholders than the Transactions, is reasonably likely to be consummated, and for which financing, to the extent required, is then fully committed or is reasonably determined by the Scripps Board to be attainable. For purposes of the definition of “Scripps Superior Proposal,” (A) each reference to “15% or more” or “more than 15%” in the definition of “Scripps Acquisition Proposal” shall be replaced with “100%”, (B) clauses (ii) and (iii) of the definition of “Scripps Acquisition Proposal” shall be read without the references to “any class of equity or” and (C) “100% of the voting securities of” shall be added immediately preceding the first reference to “Journal” in clause (iv) of the definition of “Scripps Acquisition Proposal”.

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“Subsidiary” means, with respect to any Person, any partnership, corporation, trust, joint venture, unincorporated organization, limited liability entity or other legal entity of which securities or other ownership interests having by the terms thereof voting power to elect at least a majority of the board of directors or other analogous governing body of such entity (or, if there are no such voting securities or voting interests, of which at least a majority of the equity interests) are directly or indirectly owned or controlled by such Person, or the general partner of which is such Person.

“Tax” means (i) any tax, governmental fee or other like assessment or charge of any kind whatsoever (including withholding on amounts paid to or by any Person), together with any interest, penalty, addition to tax or additional amount imposed by any Taxing Authority responsible for the imposition of any such tax (domestic or foreign), and any liability for any of the foregoing as transferee, (ii) any liability for the payment of any amount of the type described in clause (i) pursuant to Treasury Regulations Section 1.1502-6 or any comparable provision of state, local or foreign law, or (iii) liability for the payment of any amount as a result of being party to any Tax Sharing Agreement or with respect to the payment of any amount imposed on any Person of the type described in clause (i) or (ii) as a result of any existing express or implied agreement or arrangement (including an indemnification agreement or arrangement).

“Tax Matters Agreements” means the Scripps Tax Matters Agreement by and among Scripps, Scripps Spinco and Newco, entered into on the date of this Agreement, and the Journal Tax Matters Agreement by and among Journal, Journal Spinco and Newco, entered into on the date of this Agreement, attached hereto as Exhibits C and D, respectively.

“Tax Return” means any report, return, document, declaration or other information or filing required to be supplied to any Taxing Authority with respect to Taxes, including information returns, any documents with respect to or accompanying payments of estimated Taxes, or with respect to or accompanying requests for the extension of time in which to file any such report, return, document, declaration or other information.

“Tax Sharing Agreements” means all existing agreements or arrangements (whether or not written) that provide for the allocation, apportionment, sharing or assignment of any Tax liability or benefit, or the transfer or assignment of income, revenues, receipts, or gains for the purpose of determining any Person’s Tax liability (excluding any indemnification agreement or arrangement pertaining to the sale or lease of assets or Subsidiaries).

“Taxing Authority” shall mean any Governmental Authority responsible for the imposition of any Tax.

“Third Party” means, with respect to any Person, any other Person, including as defined in Section 13(d) of the Exchange Act, other than such first Person or any of its Affiliates.

“Transaction Agreements” means (i) this Agreement, (ii) the Tax Matters Agreements, (iii) the Transition Services Agreement, (iv) the Employee Matters Agreement and (v) the Exchange Agent Agreement.

“Transactions” means the transactions contemplated by this Agreement and the other Transaction Agreements, including the Distributions and the Mergers.

“Transition Services Agreement” means the Transition Services Agreement to be entered into on or prior to the Closing Date by Newco and Scripps, substantially in the form attached hereto as Exhibit E, and providing for the provision by Scripps to Newco and by Newco to Scripps of services to be determined pursuant to Section 11.16.

“WBCL” means the Wisconsin Business Corporation Law, Chapter 180 of the Wisconsin Statutes, as amended.

“Websites” means, as to any Person, any and all Internet websites owned, operated or licensed by or for the benefit of such Person, including any content contained thereon or related thereto (but excluding any content that is not produced by or on behalf of such Person).

“Wisconsin LLC Act” means the Wisconsin Limited Liability Company Act (Wisconsin Statutes, Chapter 183), as amended.

Each of the following terms is defined on the page set forth opposite such term:

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Section 1.02 *Other Definitional and Interpretative Provisions.* The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The words “date hereof” when used in this Agreement shall refer to the date of this Agreement. The terms “or”, “any” and “either” are not exclusive. The word “extent” in the phrase “to the extent” shall mean the degree to which a subject or other thing extends, and such phrase shall not mean simply “if”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. The words “made available to Journal”, “made available to Scripps” and words of similar import refer to delivered in person or electronically to Journal or Scripps, as the case may be, or their respective Representatives or otherwise available to any party hereto through the SEC website. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections, Exhibits, Appendices and Schedules are to Articles, Sections, Exhibits, Appendices and Schedules of this Agreement unless otherwise specified. All Exhibits and Schedules attached hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof; provided that with respect to any agreement or contract listed on any Scripps Disclosure Schedule or Journal Disclosure Schedule, all such amendments, modifications or supplements must also be listed in the appropriate schedule. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to “law”, “laws” or to a particular statute or law shall be deemed also to include any Applicable Law. Each of the parties hereto has participated in the drafting and negotiation of this Agreement. If any ambiguity or question of intent or interpretation arises, this Agreement must be construed as if it is drafted by all the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party hereto by virtue of authorship of any of the provisions of this Agreement.

## ARTICLE 2

### SEPARATION OF SCRIPPS NEWSPAPER ASSETS; DISTRIBUTION OF SCRIPPS SPINCO

#### Section 2.01 *Scripps Pre-Newspaper Distribution Transactions.*

(a) Contribution by SMI to SNOC. On or prior to the Closing Date, and subject to satisfaction or waiver of the conditions set forth in Section 2.01(e), prior to the contribution contemplated by Section 2.01(b) and the distribution contemplated by Section 2.01(c), SMI, as the sole member of SNOC, will contribute to SNOC all of the assets (the “SMI Newspaper Assets”) and liabilities (the “SMI Newspaper Liabilities”) of the newspapers owned by SMI and its partnership interests in Albuquerque Publishing Company and Starline Printing, LLLP, and its membership interests in Wanderful Media, LLC; SNOC shall accept the SMI Newspaper Assets and shall assume all of the SMI Newspaper Liabilities.

(b) Contribution by SMI to Scripps Spinco. On or prior to the Closing Date, and subject to satisfaction or waiver of the conditions set forth in Section 2.01(e), after the contribution contemplated by Section 2.01(a) and prior to the distribution contemplated by Section 2.01(c), SMI, as the sole stockholder of Scripps Spinco, will contribute to the capital of Scripps Spinco all of the issued and outstanding membership interests in SNOC (the “SMI Newspaper Contribution”).

(c) Distribution by SMI to Scripps. On or prior to the Closing Date, and subject to satisfaction or waiver of the conditions set forth in Section 2.01(e), after the contribution contemplated by Section 2.01(b) and prior to the Scripps Newspaper Distribution, SMI will distribute all of the issued and outstanding shares of capital stock of Scripps Spinco to Scripps (the “SMI Newspaper Distribution”).

(d) Contribution by Scripps to Scripps Spinco. On or prior to the Closing Date, and subject to satisfaction or waiver of the conditions set forth in Section 2.01(e), after the distribution contemplated by Section 2.01(c) and prior to the Scripps Newspaper Distribution, Scripps, as the sole stockholder of Scripps Spinco, will contribute to the capital of Scripps Spinco all of the Scripps Newspaper Assets, and Scripps Spinco shall assume all of the Scripps Newspaper Liabilities (the “Scripps Newspaper Contribution”).

(e) Conditions Precedent to Consummation of Scripps Pre-Newspaper Distribution Transactions. The obligation of Scripps to consummate or cause the consummation of each of the transactions contemplated by Section 2.01(a), (b), (c) and (d) (collectively, the “Scripps Pre-Newspaper Distribution Transactions”) is subject to the prior or simultaneous satisfaction of each of the following conditions:

(i) solely with respect to the transactions contemplated by Section 2.01(b), the transactions contemplated by Section 2.01(a) shall have been consummated;

(ii) solely with respect to the transactions contemplated by Section 2.01(c), the transactions contemplated by Section 2.01(a) and Section 2.01(b) shall have been consummated;

(iii) solely with respect to the transactions contemplated by Section 2.01(d), the transactions contemplated by Section 2.01(a), Section 2.01(b) and Section 2.01(c) shall have been consummated; and

(iv) each of the conditions precedent to the consummation of Transactions set forth in Section 12.01 and Section 12.02 shall have been satisfied or waived as set forth in Section 12.01 and Section 12.02.

Section 2.02 *Timing of Scripps Newspaper Distribution*. On the Closing Date, Scripps and Scripps Spinco shall consummate the Scripps Newspaper Distribution at the Distribution Time. As used herein, “Closing Date” means the date on which the Distributions and the Mergers become effective, which date shall be mutually agreed by Scripps and Journal and shall be a date occurring as soon as practicable after satisfaction or, to the extent permitted hereunder, waiver of all conditions set forth in Section 2.01(e), Section 3.01(b) and Article 12 (other than conditions that by their nature are to be satisfied on the Closing Date and will in fact be satisfied on the Closing Date).

Section 2.03 *Transfer of Assets; Assumption of Liabilities*.

(a) Subject to Section 2.04, as of the Distribution Time, (i) the right, title and interest in all Scripps Newspaper Assets will be owned, free and clear of all Liens (other than Permitted Liens), by the Scripps Newspaper Entities and (ii) all Scripps Newspaper Liabilities will be the obligation of the Scripps Newspaper Entities. Prior to the Distribution Time, subject to Section 2.04, Scripps, SMI and the Scripps Newspaper Entities shall take all such actions as are necessary or appropriate (including executing and delivering such bills of sale, assignments, deeds, stock powers, certificates of title and instruments of assumption) to cause (A) the Scripps Newspaper Entities to own all of the Scripps Newspaper Assets free and clear of all Liens (other than Permitted Liens) and (B) the Scripps Newspaper Entities to assume and be subject to all of the Scripps Newspaper Liabilities.

(b) Subject to Section 2.04, as of the Distribution Time, (i) the right, title and interest in all Scripps Broadcast Assets will be owned and retained by Scripps or the Scripps Broadcast Entities and (ii) all Scripps Broadcast Liabilities will be the obligation of Scripps or the Scripps Broadcast Entities. Prior to the Distribution Time, subject to Section 2.04, Scripps and its Subsidiaries shall take all such actions as are necessary or appropriate (including executing and delivering such bills of sale, stock powers, certificates of title and instruments of assumption) to cause (A) Scripps or the Scripps Broadcast Entities to own all of the Scripps Broadcast Assets and (B) Scripps or the Scripps Broadcast Entities to assume and be subject to all of the Scripps Broadcast Liabilities.

(c) In the event that at any time or from time to time (whether prior to or after the Closing Date) any party hereto (or any of its Subsidiaries) shall receive or otherwise possess any Asset or be liable for any Liability that is allocated to any other party hereto (or any of its Subsidiaries) pursuant to this Article 2, subject to Section 2.04, such party shall promptly transfer or assign, or cause to be transferred or assigned, such Asset or Liability to the party (or its applicable Subsidiary) so entitled thereto and the party (or its applicable Subsidiary) so entitled shall accept such Asset or assume such Liability. Prior to any such transfer, the parties shall comply, to the extent applicable, with Section 2.04.

Section 2.04 *Governmental Approvals; Consents.*

(a) If and to the extent that the valid, complete and perfected transfer or assignment to the Scripps Newspaper Entities of any Scripps Newspaper Assets or to Scripps or the Scripps Broadcast Entities of any Scripps Broadcast Assets as contemplated by Section 2.03 would be a violation of Applicable Law or require any Consent or Governmental Approval, then the applicable transfer or assignment shall be automatically deemed deferred and any such purported transfer or assignment shall be null and void until such time as all legal impediments are removed and/or such Consents or Governmental Approvals have been obtained. Notwithstanding the foregoing, but subject to the procurement of any applicable Governmental Approval, including any required FCC Consent, any such Asset shall be deemed an Asset of the transferee for purposes of determining whether any Liability is a Liability of the transferee.

(b) If the transfer or assignment of any Asset intended to be transferred or assigned hereunder is not consummated prior to or at the Closing Date, whether as a result of the provisions of Section 2.04(a) or for any other reason, then, subject to the procurement of any applicable Governmental Approval, including any required FCC Consent, the Person retaining such Asset shall thereafter hold such Asset for the use and benefit, insofar as reasonably possible, of the Person entitled thereto (at the expense of the Person entitled thereto) and the Person retaining such Asset shall take such other actions as may be reasonably requested by the Person to whom such Asset is to be transferred in order to place such Person, insofar as reasonably possible, in the same position as if such Asset had been transferred as contemplated hereby and so that all the benefits and burdens relating to such Asset, including possession, use, risk of loss, potential for gain, and dominion, control and command over such Asset, inure from and after the Closing Date to the Person to whom such Asset is to be transferred. To the extent permitted by Applicable Law and to the extent otherwise permissible in light of any required Consent and/or Governmental Approval, the Person to whom such Asset is to be transferred shall be entitled to, and shall be responsible for, the management of any Asset not yet transferred to it as a result of this Section and the parties hereto agree to use commercially reasonable efforts to cooperate and coordinate with respect thereto.

(c) If and when the Consents and/or Governmental Approvals, the absence of which caused the deferral of transfer of any Asset pursuant to Section 2.04(a), are obtained, the transfer of the applicable Asset shall be effected in accordance with the terms of this Agreement.

(d) The Person retaining an Asset due to the deferral of the transfer of such Asset shall not be obligated, in connection with the foregoing, to expend any money unless the necessary funds are advanced by the Person entitled to the Asset, other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by the Person entitled to such Asset.

Section 2.05 *Termination of Agreements.*

(a) Except as set forth in Section 2.05(b), effective as of the Closing Date, Scripps, for itself and the Scripps Broadcast Entities, on the one hand, and Scripps Spinco, for itself and each other Scripps Newspaper Entity, on the other hand, hereby terminate any and all Contracts or understandings, whether or not in writing, between or among Scripps and/or any of the Scripps Broadcast Entities, on the one hand, and Scripps Spinco and/or any other Scripps Newspaper Entity, on the other hand. No such terminated Contract or understanding (including any provision thereof that purports to survive termination) shall be of any further force or effect after the Closing Date. Each of Scripps and Scripps Spinco shall, at the reasonable request of any other party hereto, take, or cause to be taken, such other actions as may be necessary to effect the foregoing, including having its Subsidiaries execute such additional instruments, if any, as shall be necessary to effect the foregoing.

(b) The provisions of Section 2.05(a) shall not apply to any of the following Contracts or understandings (or to any of the provisions thereof):

(i) the Transaction Agreements and each other agreement or instrument expressly contemplated by any of the Transaction Agreements to be entered into by the parties thereto or any of their Affiliates;

(ii) any Contract or understanding listed on Section 2.05(b)(ii) of the Scripps Disclosure Schedule;

(iii) any intercompany accounts settled in accordance with Section 9.03; and

(iv) any Contracts or understandings that any of the Contracts listed in clause (i) or (ii) expressly contemplates will survive the Closing Date.

Section 2.06 *Scripps Newspaper Distribution.*

(a) At the Distribution Time, Scripps will deliver to the Exchange Agent for the benefit of holders of record of Scripps Common Shares (other than Scripps Common Shares held by Scripps in its treasury or shares held by any Subsidiary of Scripps) on the Record Date, a single stock certificate, endorsed by Scripps in blank, representing the shares of Scripps Spinco Common Stock issuable in the Scripps Newspaper Distribution (which shall constitute all of the shares of Scripps Spinco Common Stock outstanding as of the Closing Date), and shall cause the transfer agent for the shares of Scripps Spinco Common Stock to instruct the Exchange Agent to hold in trust (pending conversion of such shares of Scripps Spinco Common Stock into shares of Newco Common Stock pursuant to the Scripps Newspaper Merger) the appropriate number of such shares of Scripps Spinco Common Stock (as set forth in Section 2.06(b)) for each such holder or designated transferee or transferees of such holder.

(b) Each holder of Scripps Common Shares on the Record Date will be entitled to receive in the Scripps Newspaper Distribution a number of shares of Scripps Spinco Common Stock equal to the number of shares of Scripps Common Shares held by such holder on the Record Date. For the avoidance of doubt, holders of Scripps Class A Common Shares and Scripps Common Voting Shares shall be entitled to receive one identical class of shares of Scripps Spinco Common Stock.

(c) Scripps and Scripps Spinco, as the case may be, will provide to the Exchange Agent any information reasonably required in order to complete the Scripps Newspaper Distribution on the basis specified above.

ARTICLE 3  
SEPARATION OF JOURNAL NEWSPAPER ASSETS;  
DISTRIBUTION OF JOURNAL SPINCO

Section 3.01 *Journal Pre-Newspaper Distribution Transactions.*

(a) Contribution by Journal to Journal Spinco. On or prior to the Closing Date and prior to the Distribution Time, and subject to satisfaction or waiver of the conditions set forth in Section 3.01(b), Journal, as the sole stockholder of Journal Spinco, will contribute to Journal Spinco (i) cash in the amount of \$10 million, (ii) all of the issued and outstanding shares of capital stock of Journal Sentinel, Inc., a Wisconsin corporation, and (iii) all of the issued and outstanding shares of capital stock of Journal Community Publishing Group, Inc., a Wisconsin corporation (the "Journal Newspaper Contribution").

(b) Conditions Precedent to Consummation of Journal Pre-Newspaper Distribution Transactions. The obligation of Journal to consummate or cause the consummation of the transactions contemplated by Section 3.01(a) (the "Journal Pre-Newspaper Distribution Transactions") is subject to the prior or simultaneous satisfaction or waiver of each of the conditions precedent to the consummation of the Transactions set forth in Section 12.01 and Section 12.03 as set forth in Section 12.01 and Section 12.03.

Section 3.02 *Timing of Journal Newspaper Distribution.* On the Closing Date, Journal and Journal Spinco shall consummate the Journal Newspaper Distribution at the Distribution Time.

Section 3.03 *Transfer of Assets; Assumption of Liabilities.*

(a) Subject to Section 3.04, as of the Distribution Time, (i) the right, title and interest in all Journal Newspaper Assets will be owned, free and clear of all Liens (other than Permitted Liens), by the Journal Newspaper Entities and (ii) all Journal Newspaper Liabilities will be the obligation of the Journal Newspaper Entities. Prior to the Distribution Time, subject to Section 3.04, Journal and the Journal Newspaper Entities shall take all such actions as are necessary or appropriate (including executing and delivering such bills of sale, assignments, deeds, stock powers, certificates of title and instruments of assumption) to cause (A) the Journal Newspaper Entities to own all of the Journal Newspaper Assets free and clear of all Liens (other than Permitted Liens) and (B) the Journal Newspaper Entities to have assumed and be subject to all of the Journal Newspaper Liabilities.

(b) Subject to Section 3.04, as of the Distribution Time, (i) the right, title and interest in all Journal Broadcast Assets will be owned and retained by Journal or the Journal Broadcast Entities and (ii) all Journal Broadcast Liabilities will be the obligation of Journal or the Journal Broadcast Entities. Prior to the Distribution Time, subject to Section 3.04, Journal and its Subsidiaries shall take all such actions as are necessary or appropriate (including executing and delivering such bills of sale, stock powers, certificates of title and instruments of assumption) to cause (A) Journal or the Journal

Broadcast Entities to own all of the Journal Broadcast Assets and (B) Journal or the Journal Broadcast Entities to assume and be subject to all of the Journal Broadcast Liabilities.

(c) In the event that at any time or from time to time (whether prior to or after the Closing Date) any party hereto (or any of its Subsidiaries) shall receive or otherwise possess any Asset or be liable for any Liability that is allocated to any other party hereto (or any of its Subsidiaries) pursuant to this Article 3, subject to Section 3.04, such party shall promptly transfer or assign, or cause to be transferred or assigned, such Asset or Liability to the party (or its applicable Subsidiary) so entitled thereto and the party (or its applicable Subsidiary) so entitled shall accept such Asset or assume such Liability. Prior to any such transfer, the parties shall comply, to the extent applicable, with Section 3.04.

#### Section 3.04 *Governmental Approvals; Consents.*

(a) If and to the extent that the valid, complete and perfected transfer or assignment to the Journal Newspaper Entities of any Journal Newspaper Assets or to the Journal Broadcast Entities of any Journal Broadcast Assets as contemplated by Section 3.03 would be a violation of Applicable Law or require any Consent or Governmental Approval, then the applicable transfer or assignment shall be automatically deemed deferred and any such purported transfer or assignment shall be null and void until such time as all legal impediments are removed and/or such Consents or Governmental Approvals have been obtained. Notwithstanding the foregoing, but subject to the procurement of any applicable Governmental Approval, including any required FCC Consent, any such Asset shall be deemed an Asset of the transferee for purposes of determining whether any Liability is a Liability of the transferee.

(b) If the transfer or assignment of any Asset intended to be transferred or assigned hereunder is not consummated prior to or at the Closing Date, whether as a result of the provisions of Section 3.04(a) or for any other reason, then, subject to the procurement of any applicable Governmental Approval, including any required FCC Consent, the Person retaining such Asset shall thereafter hold such Asset for the use and benefit, insofar as reasonably possible, of the Person entitled thereto (at the expense of the Person entitled thereto) and the Person retaining such Asset shall take such other actions as may be reasonably requested by the Person to whom such Asset is to be transferred in order to place such Person, insofar as reasonably possible, in the same position as if such Asset had been transferred as contemplated hereby and so that all the benefits and burdens relating to such Asset, including possession, use, risk of loss, potential for gain, and dominion, control and command over such Asset, inure from and after the Closing Date to the Person to whom such Asset is to be transferred. To the extent permitted by Applicable Law and to the extent otherwise permissible in light of any required Consent and/or Governmental Approval, the Person to whom such Asset is to be transferred shall be entitled to, and shall be responsible for, the management of any Asset not yet transferred to it as a result of this Section 3.04(b) and the parties hereto agree to use commercially reasonable efforts to cooperate and coordinate with respect thereto.

(c) If and when the Consents and/or Governmental Approvals, the absence of which caused the deferral of transfer of any Asset pursuant to Section 3.04(a), are obtained, the transfer of the applicable Asset shall be effected in accordance with the terms of this Agreement.

(d) The Person retaining an Asset due to the deferral of the transfer of such Asset shall not be obligated, in connection with the foregoing, to expend any money unless the necessary funds are advanced by the Person entitled to the Asset, other than reasonable out-of-pocket expenses, attorneys' fees and recording or similar fees, all of which shall be promptly reimbursed by the Person entitled to such Asset.

#### Section 3.05 *Termination of Agreements.*

(a) Except as set forth in Section 3.05(b), effective as of the Closing Date, Journal, for itself and the Journal Broadcast Entities, on the one hand, and Journal Spinco, for itself and each other Journal Newspaper Entity, on the other hand, hereby terminate any and all Contracts or understandings, whether or not in writing, between or among Journal and/or any of the Journal Broadcast Entities, on the one hand, and Journal Spinco and/or any other Journal Newspaper Entity, on the other hand. No such terminated Contract or understanding (including any provision thereof that purports to survive termination) shall be of any further force or effect after the Closing Date. Each of Journal and Journal Spinco shall, at the reasonable request of any other party hereto, take, or cause to be taken, such other actions as may be necessary to effect the foregoing, including having its Subsidiaries execute such additional instruments, if any, as shall be necessary to effect the foregoing.

(b) The provisions of Section 3.05(a) shall not apply to any of the following Contracts or understandings (or to any of the provisions thereof):

(i) the Transaction Agreements and each other agreement or instrument expressly contemplated by any of the Transaction Agreements to be entered into by the parties thereto or any of their Affiliates;

- (ii) any Contract or understanding listed on Section 3.05(b)(ii) of the Journal Disclosure Schedule;
- (iii) any intercompany accounts settled in accordance with Section 10.03; and
- (iv) any other Contracts or understandings that any of the Contracts or understandings listed in clause (i) or (ii) expressly contemplates will survive the Closing Date.

Section 3.06 *Journal Newspaper Distribution*.

(a) At the Distribution Time, Journal will deliver to the Exchange Agent for the benefit of holders of record of Journal Common Stock (other than Journal Common Stock held by Journal in its treasury or Journal Common Stock held by any Subsidiary of Journal) on the Record Date, a single stock certificate, endorsed by Journal in blank, representing the shares of Journal Spinco Common Stock issuable in the Journal Newspaper Distribution (which shall constitute all of the shares of Journal Spinco Common Stock outstanding as of the Closing Date), and shall cause the transfer agent for the shares of Journal Spinco Common Stock to instruct the Exchange Agent to hold in trust (pending conversion of such shares of Journal Spinco Common Stock into shares of Newco Common Stock pursuant to the Journal Newspaper Merger) the appropriate number of such shares of Journal Spinco Common Stock (as set forth in Section 3.06(b)) for each such holder or designated transferee or transferees of such holder.

(b) Each holder of Journal Common Stock on the Record Date will be entitled to receive in the Journal Newspaper Distribution a number of shares of Journal Spinco Common Stock equal to the number of shares of Journal Common Stock held by such holder on the Record Date. For the avoidance of doubt, holders of shares of Journal Class A Common Stock and Journal Class B Common Stock shall be entitled to receive one identical class of shares of Journal Spinco Common Stock.

(c) Journal and Journal Spinco, as the case may be, will provide to the Exchange Agent all share certificates and any information reasonably required in order to complete the Journal Newspaper Distribution on the basis specified above.

ARTICLE 4  
ORGANIZATION OF NEWCO AND MERGER SUBS

Section 4.01 *Organization of Newco*. Scripps and Journal have caused Newco to be organized under the laws of the State of Wisconsin. The authorized capital stock of Newco consists of 100 shares of Newco Common Stock. As of the date hereof, one share of Newco Common Stock has been issued to Scripps and one share of Newco Common Stock has been issued to Journal, each at a price of \$1.00 per share. At the Newspaper Merger Effective Time, each of Scripps and Journal shall return its share of Newco Common Stock to Newco for cancellation without the payment of any consideration therefor. Attached hereto as Exhibits F and G, respectively, are the articles of incorporation of Newco (the "Newco Articles of Incorporation") and the bylaws of Newco (the "Newco Bylaws"). Prior to the Newspaper Merger Effective Time, the Newco Articles of Incorporation will be amended and the Newco Bylaws will be amended, each as agreed to by Scripps and Journal.

Section 4.02 *Directors and Officers of Newco*. Prior to the Newspaper Merger Effective Time, unless otherwise agreed, the directors and officers of Newco shall consist of the Scripps and Journal employees, in each case as agreed to by Scripps and Journal. Scripps and Journal shall take all requisite action to cause the directors and officers of Newco as of the Newspaper Merger Effective Time to be as provided in Section 11.10.

Section 4.03 *Organization of Merger Subs*. Newco has caused each of Scripps Newspaper Merger Sub and Journal Newspaper Merger Sub to be organized under the WBCL for the sole purpose of effectuating the Newspaper Mergers. The authorized capital stock of Scripps Newspaper Merger Sub consists of 100 shares of Common Stock, par value \$0.01 per share, all of which have been issued to Newco at a price of \$1.00 per share. The authorized capital stock of Journal Newspaper Merger Sub consists of 100 shares of Common Stock, par value \$0.01 per share, all of which have been issued to Newco at a price of \$1.00 per share. Scripps has caused Scripps Broadcast Merger, LLC to be organized under the Wisconsin LLC Act.

Section 4.04 *Directors and Officers of Newspaper Merger Subs*. Prior to the Newspaper Merger Effective Time, unless otherwise agreed, the directors and officers of Scripps Newspaper Merger Sub and Journal Newspaper Merger Sub shall consist of the Scripps and Journal employees agreed to by Journal and Scripps.

Section 4.05 *Approvals of Scripps and Journal*. Scripps and Journal, as the holders of all the outstanding shares of Newco Common Stock, have approved and adopted this Agreement and the Transactions and have caused Newco, as

the sole stockholder of each of the Newspaper Merger Subs, to approve and adopt this Agreement and the Transactions (including the Scripps Newspaper Merger and the Journal Newspaper Merger). Each of Scripps and Journal shall cause Newco to perform its obligations under this Agreement, and Newco shall cause the Newspaper Merger Subs to perform their respective obligations under this Agreement. SMI, as the holder of all of the outstanding shares of Scripps Spinco Common Stock, has approved and adopted this Agreement and the Transactions. Journal, as the holder of all of the outstanding shares of Journal Spinco Common Stock, has approved and adopted this Agreement and the Transactions. Scripps, as the holder of all of the outstanding membership interests of Scripps Broadcast Merger, LLC, has approved and adopted this Agreement and the Transactions. SMI shall cause Scripps Spinco, and Journal shall cause Journal Spinco, to perform their respective obligations under this Agreement. Scripps shall cause Scripps Broadcast Merger, LLC to perform its obligations under this Agreement.

## ARTICLE 5 THE MERGERS

### Section 5.01 *The Scripps Newspaper Merger.*

(a) At the Newspaper Merger Effective Time, Scripps Newspaper Merger Sub shall be merged with and into Scripps Spinco in accordance with the WBCL and upon the terms set forth in this Agreement, whereupon the separate corporate existence of Scripps Newspaper Merger Sub shall cease, and Scripps Spinco shall be the surviving corporation (the "Scripps Spinco Surviving Corporation"). As a result of the Scripps Newspaper Merger, Scripps Spinco Surviving Corporation shall become a wholly owned subsidiary of Newco.

(b) On the Closing Date, Scripps Spinco and Scripps Newspaper Merger Sub shall file articles of merger with the Wisconsin Department of Financial Institutions and make all other filings or recordings required by the WBCL in connection with the Scripps Newspaper Merger. The Scripps Newspaper Merger shall become effective at the Newspaper Merger Effective Time. As used herein, the term "Newspaper Merger Effective Time" means such time on the Closing Date as is mutually agreed by Scripps and Journal and is specified in the articles of merger filed pursuant to this Section 5.01(b) and Section 5.02(b); provided that the Newspaper Merger Effective Time shall be a time occurring after the Distribution Time.

(c) From and after the Newspaper Merger Effective Time, the Scripps Spinco Surviving Corporation shall possess all the rights, powers, privileges and franchises and be subject to all of the obligations, liabilities, restrictions and disabilities of Scripps Spinco and Scripps Newspaper Merger Sub, all as provided under the WBCL.

### Section 5.02 *The Journal Newspaper Merger.*

(a) At the Newspaper Merger Effective Time, Journal Newspaper Merger Sub shall be merged with and into Journal Spinco in accordance with the WBCL and upon the terms set forth in this Agreement, whereupon the separate corporate existence of Journal Newspaper Merger Sub shall cease, and Journal Spinco shall be the surviving corporation (the "Journal Spinco Surviving Corporation"). As a result of the Journal Newspaper Merger, Journal Spinco Surviving Corporation shall become a wholly owned subsidiary of Newco.

(b) On the Closing Date, Journal Spinco and Journal Newspaper Merger Sub shall file articles of merger with the Wisconsin Department of Financial Institutions and make all other filings or recordings required by the WBCL in connection with the Journal Newspaper Merger. The Journal Newspaper Merger shall become effective at the Newspaper Merger Effective Time.

(c) From and after the Journal Newspaper Merger Effective Time, the Journal Spinco Surviving Corporation shall possess all the rights, powers, privileges and franchises and be subject to all of the obligations, liabilities, restrictions and disabilities of Journal Spinco and Journal Newspaper Merger Sub, all as provided under the WBCL.

### Section 5.03 *Newspaper Mergers – Articles of Incorporation; Bylaws; Directors and Officers.*

(a) The articles of incorporation of Scripps Spinco Surviving Corporation at the Newspaper Merger Effective Time shall be identical to the articles of incorporation of Scripps Spinco as in effect immediately prior to the Newspaper Merger Effective Time, except that the name of the corporation set forth in Section FIRST of the articles of incorporation of Scripps Spinco Surviving Corporation shall be a name that is mutually agreed by Scripps and Journal. The bylaws of Scripps Spinco in effect at the Newspaper Merger Effective Time shall be the bylaws of Scripps Spinco Surviving Corporation, until amended in accordance with Applicable Law. From and after the Newspaper Merger Effective Time, until successors are duly elected or appointed and qualified in accordance with Applicable Law, the directors and officers of Scripps Spinco immediately prior to the Newspaper Merger Effective Time, who are agreed to by Journal and Scripps, shall be the directors and officers of Scripps Spinco Surviving Corporation. None of the directors and officers of Scripps Spinco Surviving

Corporation and its subsidiaries shall include any signatory to the Scripps Family Agreement, or any officer or member of the board of directors of Scripps or any of its subsidiaries upon consummation of the Broadcast Merger.

(b) The articles of incorporation of Journal Spinco Surviving Corporation at the Newspaper Merger Effective Time shall be identical to the articles of incorporation of Journal Spinco as in effect immediately prior to the Newspaper Merger Effective Time, except that the name of the corporation set forth in Section FIRST of the articles of incorporation of Journal Spinco Surviving Corporation shall be a name that is mutually agreed by Scripps and Journal. The bylaws of Journal Spinco in effect at the Newspaper Merger Effective Time shall be the bylaws of Journal Spinco Surviving Corporation, until amended in accordance with Applicable Law. From and after the Newspaper Merger Effective Time, until successors are duly elected or appointed and qualified in accordance with Applicable Law, the directors and officers of Journal Spinco immediately prior to the Newspaper Merger Effective Time, who are agreed to by Journal and Scripps, shall be the directors and officers of Journal Spinco Surviving Corporation. None of the directors and officers of Journal Spinco Surviving Corporation and its subsidiaries shall include any signatory to the Scripps Family Agreement, or any officer or member of the board of directors of Scripps or any of its subsidiaries upon consummation of the Broadcast Merger.

Section 5.04 *The Broadcast Merger.*

(a) At the Broadcast Merger Effective Time, Journal shall be merged with and into Scripps Broadcast Merger, LLC, in accordance with the WBCL and the Wisconsin LLC Act and upon the terms set forth in this Agreement, whereupon the separate corporate existence of Journal shall cease, and Scripps Broadcast Merger, LLC shall be the surviving limited liability company in the Broadcast Merger ("Scripps Broadcast Surviving LLC"). As a result of the Broadcast Merger, Scripps Broadcast Surviving LLC shall become a wholly owned subsidiary of Scripps.

(b) On the Closing Date, Journal and Scripps Broadcast Merger, LLC shall file with the Wisconsin Department of Financial Institutions articles of merger in the form agreed to by Journal and Scripps (the "Broadcast Merger Articles of Merger"), together with any required related certificates, filings and recordings, in such form as required by, and executed in accordance with, the relevant provisions of the WBCL and the Wisconsin LLC Act. The Broadcast Merger shall become effective at the Broadcast Merger Effective Time. As used herein, the term "Broadcast Merger Effective Time" means such time on the Closing Date as is mutually agreed by Scripps and Journal and is specified in the Broadcast Merger Articles of Merger filed pursuant to this Section 5.04(b). The Broadcast Merger Effective Time shall be a time occurring after the Newspaper Merger Effective Time. Scripps Broadcast Merger, LLC shall have been characterized for United States federal tax purposes as an entity disregarded as separate from Scripps at all times since its formation by Scripps.

(c) From and after the Broadcast Merger Effective Time, all the properties, rights, privileges, powers and franchises of Journal and Scripps Broadcast Merger, LLC shall vest in Scripps Broadcast Surviving, LLC, and all debts, liabilities and obligations of Journal and Scripps Broadcast Merger, LLC shall become the debts, liabilities and obligations of Scripps Broadcast Surviving, LLC, all as provided under the WBCL and the Wisconsin LLC Act.

Section 5.05 *Broadcast Merger – Certificate of Incorporation; By-Laws; Directors and Officers.* At the Broadcast Merger Effective Time:

(a) The articles of organization of Scripps Broadcast Surviving, LLC shall be amended and restated at and as of the Broadcast Merger Effective Time to read as did the articles of organization of Scripps Broadcast Merger, LLC immediately prior to the Broadcast Merger Effective Time, and such amended and restated articles of organization shall be the articles of organization of Scripps Broadcast Surviving, LLC.

(b) The operating agreement of Scripps Broadcast Surviving, LLC shall be amended and restated at and as of the Broadcast Merger Effective Time to read as did the operating agreement of Scripps Broadcast Merger, LLC immediately prior to the Broadcast Merger Effective Time, and such amended and restated operating agreement shall be the operating agreement of Scripps Broadcast Surviving, LLC until subsequently amended.

(c) Until their successors are duly elected or appointed and qualified in accordance with Applicable Law, the managers of Scripps Broadcast Merger, LLC immediately prior to the Broadcast Merger Effective Time shall be the managers of Scripps Broadcast Surviving, LLC.

Section 5.06 *Pre-Broadcast Merger Dividend.* Following the Newspaper Mergers, and immediately prior to the Broadcast Merger, Scripps will take all necessary steps to distribute the Pre-Broadcast Merger Dividend *pro rata* to all of the Scripps Shareholders.



ARTICLE 6  
CONVERSION AND EXCHANGE OF SHARES

Section 6.01 *Conversion of Shares.*

- (a) Conversion of Stock in Newspaper Mergers At the Newspaper Merger Effective Time, by virtue of the Newspaper Mergers and without any action on the part of any of the parties hereto or the holders of any of the following securities:
- (i) Each issued and outstanding share of capital stock of Scripps Newspaper Merger Sub shall be converted into and become one fully paid and nonassessable share of common stock, par value \$0.01 per share, of Scripps Spinco Surviving Corporation.
  - (ii) Each share of Scripps Spinco Common Stock held in the treasury of Scripps Spinco immediately prior to the Newspaper Merger Effective Time shall be canceled and retired without any conversion thereof, and no payment shall be made with respect thereto.
  - (iii) Each share of Scripps Spinco Common Stock outstanding immediately prior to the Newspaper Merger Effective Time after giving effect to the Scripps Newspaper Distribution shall be converted into the right to receive 0.2500 of a share of Newco Common Stock (the "Scripps Newspaper Exchange Ratio").
  - (iv) Each issued and outstanding share of capital stock of Journal Newspaper Merger Sub shall be converted into and become one fully paid and nonassessable share of common stock, par value \$0.01 per share, of Journal Spinco Surviving Corporation.
  - (v) Each share of Journal Spinco Common Stock held in the treasury of Journal Spinco immediately prior to the Newspaper Merger Effective Time shall be canceled and retired without any conversion thereof, and no payment shall be made with respect thereto.
  - (vi) Each share of Journal Spinco Common Stock outstanding immediately prior to the Newspaper Merger Effective Time after giving effect to the Journal Newspaper Distribution shall be converted into the right to receive 0.1950 of a share of Newco Common Stock (the "Journal Newspaper Exchange Ratio").

- (b) Conversion of Stock in Broadcast Merger. At the Broadcast Merger Effective Time, as a result of the Broadcast Merger and without any action on the part of any of the parties hereto, or the holders of any of the following securities, (i) except for Dissenting Shares, each share of Journal Common Stock issued and outstanding immediately prior to the Broadcast Merger Effective Time shall be automatically converted into such fraction of a Scripps Class A Common Share as equals the Per Share Broadcast Merger Consideration on the terms and conditions hereof; and (ii) each share of Journal Common Stock held in the treasury of Journal immediately prior to the Broadcast Merger Effective Time shall be canceled and retired without any conversion thereof, and no payment shall be made with respect thereto.

Each share so converted shall no longer be outstanding and shall automatically be canceled and retired and shall cease to exist, and each certificate that immediately prior to the Broadcast Merger Effective Time represented any such shares (each, a "Certificate") and each uncertificated share represented by book-entry (each, an "Uncertificated Share") shall thereafter represent only the right to receive the Per Share Broadcast Merger Consideration upon surrender of such Certificate or transfer of such Uncertificated Shares pursuant to Section 6.03.

Section 6.02 *Newspaper Mergers Exchange Procedures.*

- (a) At or prior to the Newspaper Merger Effective Time, Newco shall deposit with the Exchange Agent, for the benefit of the holders of shares of Scripps Spinco Common Stock and Journal Spinco Common Stock, for exchange in accordance with this Article 6, through the Exchange Agent, the shares of Newco Common Stock issuable pursuant to Section 6.01(a) in exchange for outstanding shares of Scripps Spinco Common Stock and Journal Spinco Common Stock.

- (b) At the Newspaper Merger Effective Time, Newco, Scripps and Journal shall instruct the Exchange Agent to make book-entry credits for, on or as soon as practicable after the Newspaper Merger Effective Time, the shares of Newco Common Stock that each holder of Scripps Spinco Common Stock as of the Record Date and each holder of Journal Spinco Common Stock as of the Record Date is entitled to pursuant to this Article 6. Newco shall take all necessary actions to adopt a book-entry stock transfer and registration system for Newco effective as of the Newspaper Merger Effective Time.

Shares of Newco Common Stock shall be in uncertificated book-entry form unless a physical certificate is requested or is otherwise required by Applicable Law.

Section 6.03 *Payment of Per Share Broadcast Merger Consideration; Surrender; Closing of Books.*

(a) At or prior to the Broadcast Merger Effective Time, Scripps shall deposit or cause to be deposited with the Exchange Agent, Scripps Class A Common Shares in an aggregate amount equal to the number of shares of Journal Common Stock then issued and outstanding multiplied by the Per Share Broadcast Merger Consideration (the “Broadcast Merger Fund”). Scripps shall bear all fees of the Exchange Agent payable on the Closing Date.

(b) As promptly as practicable after the Broadcast Merger Effective Time, but in no event more than one (1) Business Day following the Broadcast Merger Effective Time, Scripps shall instruct the Exchange Agent to mail to each holder of record of shares of Journal Common Stock that have converted into the right to receive Per Share Broadcast Merger Consideration (i) a letter of transmittal (which shall be in customary form approved by Scripps and Journal and shall specify that delivery shall be effected, and risk of loss and title to the Certificates or Uncertificated Shares shall pass, only upon proper delivery of the Certificates or delivery of the Uncertificated Shares to the Exchange Agent) and (ii) instructions for effecting the surrender of the Certificates or delivery of the Uncertificated Shares in exchange for the Per Share Broadcast Merger Consideration.

(c) Upon (i) surrender to the Exchange Agent of Certificates for cancellation, together with such letter of transmittal, duly completed and validly executed in accordance with the instructions thereto, and such other documents as may be required pursuant to such instructions or (ii) compliance with the reasonable procedures established by Scripps and the Exchange Agent for delivery of Uncertificated Shares, the holder of such Certificates or Uncertificated Shares shall be entitled to receive in exchange therefor the Per Share Broadcast Merger Consideration, and the Certificates so surrendered and Uncertificated Shares so delivered shall forthwith be canceled. Scripps Class A Common Shares issued as Per Share Broadcast Merger Consideration shall be in uncertificated book-entry form unless a physical certificate is requested or is otherwise required by Applicable Law.

(d) In the event any Per Share Broadcast Merger Consideration is to be paid to a Person other than the Person in whose name the Certificates so surrendered or the Uncertificated Shares so delivered are registered, it shall be a condition to such payment of the Per Share Broadcast Merger Consideration in respect thereof that such Certificates shall be properly endorsed or otherwise be in proper form for transfer or such Uncertificated Shares shall be properly delivered for transfer and, in each case, the Person requesting such payment shall pay any transfer or other Taxes required by reason of the payment of the Per Share Broadcast Merger Consideration in respect thereof or establish to the reasonable satisfaction of Scripps that such Tax has been paid or is not applicable. Until surrendered or delivered, as the case may be, as contemplated by this Section 6.03, each Certificate or Uncertificated Share shall be deemed at all times after the Broadcast Merger Effective Time to represent only the right to receive, upon such surrender or delivery, the Per Share Broadcast Merger Consideration plus any dividend or other distribution declared and paid on the Scripps Class A Common Shares following the Broadcast Merger Effective Time. Any Per Share Broadcast Merger Consideration paid or payable upon the surrender of any Certificate or the delivery of any Uncertificated Share shall be deemed to have been paid in full satisfaction of all rights pertaining to such Certificate or Uncertificated Share and the shares formerly represented thereby.

(e) At the Broadcast Merger Effective Time, the stock transfer books of Journal shall be closed, and there shall be no further registration of transfers of shares of Journal Common Stock outstanding immediately prior to the Broadcast Merger Effective Time thereafter on the records of Journal. If, after the Broadcast Merger Effective Time, any Certificates or Uncertificated Shares are presented to Scripps or the Exchange Agent for any reason, they shall be marked canceled (“Canceled Securities”) and exchanged as provided in and in accordance with the procedures set forth in this Article 6.

(f) In the event any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact and an indemnity agreement by the Person claiming such Certificate to be lost, stolen or destroyed and the posting by such Person of an indemnity bond and payment of a handling fee, all as may be required by Scripps in its discretion or as may be required by the Exchange Agent under the Exchange Agent Agreement, the Exchange Agent will be instructed to accept such lost, stolen or destroyed Certificate in exchange for the right to receive the Per Share Broadcast Merger Consideration. Delivery of such affidavit and indemnity agreement and the posting of such bond, together with any other deliverable Scripps or the Exchange Agent may require, shall be deemed delivery of a Certificate with respect to the relevant shares of Journal Common Stock for purposes of this Article 6.

(g) Any portion of the Broadcast Merger Fund that remains unclaimed by the holders of Certificates or Uncertificated Shares or holders of Canceled Securities and other eligible Persons in accordance with this Article 6 for twelve (12) months after the Broadcast Merger Effective Time shall be delivered to Scripps upon demand, and any such holder who

has not previously complied with this Article 6 shall thereafter look only to Scripps, and Scripps shall remain liable, for payment of any such holder's claim to the Per Share Broadcast Merger Consideration due to such holder. Any portion of the Broadcast Merger Fund remaining unclaimed by holders of shares or holders of Canceled Securities as of a date which is immediately prior to such time as such amounts would otherwise escheat to or become property of any Governmental Authority shall, to the extent permitted by Applicable Law, become the property of Scripps free and clear of any claims or interest of any Person previously entitled thereto. None of Scripps or the Exchange Agent or any of their respective Affiliates shall be liable to any record or beneficial owner of any such shares (or dividends or distributions with respect thereto) or holders of Canceled Securities for any such Canceled Securities, or cash delivered to a public official pursuant to any abandoned property, escheat or similar Applicable Law.

#### Section 6.04 *Fractional Shares.*

(a) Newspaper Mergers. No fractional shares of Newco Common Stock shall be distributed to holders of shares of Scripps Spinco Common Stock or Journal Spinco Common Stock in the Newspaper Mergers. All fractional shares of Newco Common Stock that a holder of shares of Scripps Spinco Common Stock or Journal Spinco Common Stock would otherwise be entitled to receive pursuant to the Newspaper Mergers shall be aggregated, and if a fractional share results from such aggregation, in lieu of receiving such fractional share, a shareholder will be entitled to receive, from the Exchange Agent and in accordance with the provisions of this Section 6.04(a), a cash payment representing such shareholder's proportionate interest in the net proceeds from the sale by the Exchange Agent in one or more transactions (which sale transactions shall be made at such times, in such manner and on such terms as the Exchange Agent shall determine in its reasonable discretion) on behalf of all such shareholders of the aggregate of the fractional shares of Newco Common Stock which otherwise would have been distributed to such shareholders (the "Excess Newco Shares"). The sale of the Excess Newco Shares by the Exchange Agent shall be executed on the NYSE through one or more member firms of the NYSE, the NASDAQ Stock Market or other nationally recognized stock exchange in the United States and shall be executed in round lots to the extent practicable. Until the net proceeds of such sale or sales have been distributed to such shareholders, the Exchange Agent will hold such proceeds in trust for such shareholders. Newco shall pay all commissions, transfer taxes and other reasonable out-of-pocket transaction costs, including the reasonable expenses and compensation of the Exchange Agent, incurred in connection with such sale of the Excess Newco Shares. As soon as practicable after the determination of the amount of cash to be paid to such shareholders in lieu of any fractional shares of Newco Common Stock, the Exchange Agent shall make available such amounts to such shareholders without interest.

(b) Broadcast Merger. No fractional Scripps Class A Common Shares shall be distributed to Journal Shareholders in the Broadcast Merger. All fractional Scripps Class A Common Shares that a Journal Shareholder would otherwise be entitled to receive pursuant to the Broadcast Merger shall be aggregated, and if a fractional share results from such aggregation, in lieu of receiving such fractional share, such shareholder will be entitled to receive, from the Exchange Agent and in accordance with the provisions of this Section 6.04(b), a cash payment representing such shareholder's proportionate interest in the net proceeds from the sale by the Exchange Agent in one or more transactions (which sale transactions shall be made at such times, in such manner and on such terms as the Exchange Agent shall determine in its reasonable discretion) on behalf of all such shareholders of the aggregate of the fractional Scripps Class A Common Shares which otherwise would have been issued to such shareholders (the "Excess Scripps Class A Common Shares"). The sale of the Excess Scripps Class A Common Shares by the Exchange Agent shall be executed on the NYSE through one or more member firms of the NYSE and shall be executed in round lots to the extent practicable. Until the net proceeds of such sale or sales have been distributed to such shareholders, the Exchange Agent will hold such proceeds in trust for such shareholders. Scripps shall pay all commissions, transfer taxes and other reasonable out-of-pocket transaction costs, including the reasonable expenses and compensation of the Exchange Agent, incurred in connection with such sale of the Excess Scripps Class A Common Shares. As soon as practicable after the determination of the amount of cash to be paid to such shareholders in lieu of any fractional Scripps Class A Common Shares, the Exchange Agent shall make available such amounts to such shareholders without interest.

Section 6.05 *Dissenting Shares (Broadcast Merger).* Notwithstanding anything in this Agreement to the contrary, shares of Journal Common Stock that are outstanding immediately prior to the Broadcast Merger Effective Time and that are held by any Person who is entitled to demand, and who properly demands, payment of the fair value of such shares of Journal Common Stock pursuant to, and who complies in all respects with, Sections 180.1301 through 180.1331 of the WBCL (such Shares, "Dissenting Shares") shall not be converted into the right to receive the Per Share Broadcast Merger Consideration as provided in Section 6.01(b), but rather, the holders of Dissenting Shares shall be entitled only to payment of the fair value of such Dissenting Shares in accordance with Sections 180.1301 through 180.1331 of the WBCL (and, at the Broadcast Merger Effective Time, such Dissenting Shares shall no longer be outstanding and shall automatically be canceled and shall cease to exist, and such holders shall cease to have any right with respect thereto, except the right to receive the fair value of such Dissenting Shares in accordance with Sections 180.1301 through 180.1331 of the WBCL and any declared but unpaid dividends having a record date prior to the Broadcast Merger Effective Time); provided that if any such holder shall fail to perfect or otherwise shall waive, withdraw or lose the dissenters' rights under Sections 180.1301 through 180.1331 of the

WBCL, then the right of such holder to be paid the fair value of such holder's Dissenting Shares shall cease and such Dissenting Shares shall be deemed to have been converted as of the Broadcast Merger Effective Time into, and to have become exchangeable solely for, the right to receive the Per Share Broadcast Merger Consideration (without interest thereon, but including any dividend or other distribution declared and paid on the Scripps Class A Common Shares following the Broadcast Merger Effective Time) as provided in Section 6.01(b). Journal shall notify Scripps as promptly as reasonably practicable of any demands received by Journal for payment of the fair value of any shares of Journal Common Stock, and Scripps shall have the right to participate in all negotiations and proceedings with respect to such demands. Prior to the Broadcast Merger Effective Time, Journal shall not, without the prior written consent of Scripps (which consent shall not be unreasonably withheld or delayed), voluntarily make any payment with respect to, or settle or offer to settle, any such demands, or agree to do any of the foregoing. Any portion of the Per Share Broadcast Merger Consideration held in the Broadcast Merger Fund in respect of share consideration or other payments made available to the Exchange Agent pursuant to Section 6.03(a) or otherwise to pay for Dissenting Shares shall be returned to Scripps upon demand.

Section 6.06 *Withholding Rights*. Each of Scripps, Journal and the Exchange Agent (without duplication) shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement such amounts as may be required to be deducted and withheld with respect to the making of such payment under applicable Tax law. Amounts so withheld and paid over to the appropriate Taxing Authority shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction or withholding was made.

## ARTICLE 7 REPRESENTATIONS AND WARRANTIES OF SCRIPPS

Except as set forth in the (i) Scripps SEC Documents (excluding any disclosures in the Scripps SEC Documents under the heading "Risk Factors" and any other disclosures that are predictive or forward-looking in nature) or the (ii) Scripps Disclosure Schedule, Scripps represents and warrants to Journal that:

Section 7.01 *Corporate Existence and Power*. Each of Scripps and its Subsidiaries is a corporation or other entity duly organized or formed, validly existing and in good standing under the laws of the state of its organization or formation (in the case of good standing, to the extent such state recognizes such concept) and has all corporate or other powers and all Governmental Approvals required to carry on its business as now conducted. Each of Scripps and its Subsidiaries is duly qualified to do business as a foreign corporation or other entity and is in good standing in each jurisdiction where such qualification is necessary (in the case of good standing, to the extent such jurisdiction recognizes such concept). Scripps has heretofore delivered or made available to Journal true and complete copies of the Organizational Documents of Scripps and each of its Subsidiaries, as currently in effect.

### Section 7.02 *Corporate Authorization*.

(a) The execution, delivery and performance by Scripps and its Subsidiaries of the Transaction Agreements to which they are or will be party, and the consummation by Scripps and its Subsidiaries of the Transactions are within Scripps's and its applicable Subsidiaries' corporate or other powers and, upon obtaining the Scripps Shareholder Approval, will have been duly authorized by all necessary corporate or other action on the part of Scripps and such Subsidiaries. Each Transaction Agreement to which Scripps or any of its Subsidiaries is or will be a party constitutes, or will, when executed, constitute, a valid and binding agreement of Scripps and each such Subsidiary that is a party thereto, enforceable against Scripps and each such Subsidiary in accordance with its terms, except (i) as the same may be limited by applicable bankruptcy, insolvency, moratorium or similar laws of general application relating to or affecting creditors' rights and (ii) for the limitations imposed by general principles of equity.

(b) At a meeting duly called and held, Scripps's Board of Directors has unanimously (i) determined that this Agreement and the Transactions are advisable and fair to and in the best interests of the Scripps Shareholders, (ii) approved and adopted this Agreement and the Transactions, (iii) resolved to recommend approval and adoption of the Scripps Newspaper Distribution Amendment and the issuance of Scripps Class A Common Shares in the Broadcast Merger to the holders of Scripps Common Voting Shares and (iv) directed that this Agreement and the Scripps Newspaper Distribution Amendment and the Broadcast Merger (including the issuance of Scripps Class A Common Shares in the Broadcast Merger) be submitted to the holders of Scripps Common Voting Shares for their approval and adoption.

(c) The only vote or consent of holders of any class or series of capital stock of Scripps necessary to approve the Transactions is the Scripps Shareholder Approval. Scripps is not party or subject to any stockholder rights agreement, "poison pill" or similar anti-takeover agreement or plan. The Board of Directors of Scripps has adopted such resolutions as may be necessary to render inapplicable to this Agreement and the Transactions any restrictions on "business combinations" (or the equivalent term) as may be set forth in any Applicable Laws. No "fair price," "moratorium," "control

share acquisition” or other similar anti-takeover statute or regulation applicable to Scripps enacted under any Applicable Law applies to this Agreement or the Transactions.

(d) Scripps Spinco’s Board of Directors has unanimously (i) determined that this Agreement and the Transactions (including the Scripps Newspaper Merger) are advisable and fair to and in the best interests of the sole stockholder of Scripps Spinco, (ii) approved and adopted this Agreement and the Transactions (including the Scripps Newspaper Merger), (iii) resolved to recommend approval and adoption of this Agreement and the Transactions (including the Scripps Newspaper Merger) by the sole stockholder of Scripps Spinco and (iv) directed that this Agreement and the Transactions (including the Scripps Newspaper Merger) be submitted to the sole stockholder of Scripps Spinco for its approval and adoption. SMI, as the sole stockholder of Scripps Spinco as of the date hereof, has duly adopted this Agreement (including the agreement of merger herein for the Scripps Newspaper Merger) and the Transactions, including the Scripps Newspaper Merger by all necessary stockholder action.

*Section 7.03 Governmental Authorization.* The execution, delivery and performance by Scripps and its Subsidiaries of the Transaction Agreements to which they are or will be party and the consummation by Scripps and such Subsidiaries of the Transactions require no action by or in respect of, or filing with, any Governmental Authority other than (a) the filing of certificates or articles of merger with respect to the Mergers with the Secretary of State of Delaware or the Wisconsin Department of Financial Institutions, as applicable, and appropriate documents with the relevant authorities of other states in which Scripps is qualified to do business, (b) compliance with any applicable requirements of the HSR Act, (c) compliance with any applicable requirements of the Securities Act, the Exchange Act, and any other applicable U.S. state or federal securities laws, (d) compliance with the applicable requirements of the Communications Laws, (e) compliance with the rules and regulations of the NYSE and (f) any actions or filings the absence of which would not be reasonably expected to have, individually or in the aggregate, a Scripps Material Adverse Effect or impair the ability of Scripps and its applicable Subsidiaries to consummate the Transactions.

*Section 7.04 Non-contravention.* The execution, delivery and performance by Scripps and its Subsidiaries of the Transaction Agreements to which they are or will be party and the consummation of the Transactions do not and will not (a) contravene, conflict with, or result in any violation or breach of any provision of the Organizational Documents of Scripps or any such Subsidiary, (b) assuming compliance with the matters referred to in Section 7.03, contravene, conflict with or result in a violation or breach of any provision of any Applicable Law, (c) assuming compliance with the matters referred to in Section 7.03 and except as set forth on Section 7.03 of the Scripps Disclosure Schedule, require any Consent or other action by any Person under, constitute a default, or an event that, with or without notice or lapse of time or both, would constitute a default, under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which Scripps or any of its Subsidiaries is entitled under any provision of any Contract binding upon Scripps or any of its Subsidiaries or any franchise, permit, certificate, approval or other similar authorization affecting, or relating in any way to, the assets or business of Scripps or any of its Subsidiaries or (d) result in the creation or imposition of any Lien on any asset of Scripps or any of its Subsidiaries, with such exceptions, in the case of each of clauses (b) through (d), as would not be reasonably expected to have, individually or in the aggregate, a Scripps Material Adverse Effect or prohibit or impair or delay the ability of Scripps or any of its Subsidiaries to consummate the Transactions.

*Section 7.05 Capitalization.*

(a) The authorized capital stock of Scripps consists of (i) 240,000,000 Scripps Class A Common Shares, (ii) 60,000,000 Scripps Common Voting Shares, and (iii) 25,000,000 Preferred Shares. As of July 25, 2014, there were outstanding (i) 44,451,623 Scripps Class A Common Shares, (ii) 11,932,722 Scripps Common Voting Shares, (iii) employee stock options to purchase an aggregate of 2,291,501 Scripps Class A Common Shares, all of which were exercisable as of such date, (iv) 1,277,279 unvested Scripps RSUs convertible into an aggregate of 1,277,279 Scripps Class A Common Shares and (v) no Preferred Shares. All outstanding shares of capital stock of Scripps have been, and all shares that may be issued pursuant to any compensatory plan or arrangement will be, when issued in accordance with the respective terms thereof, duly authorized and validly issued and are fully paid and nonassessable. No Subsidiary of Scripps owns any shares of capital stock of Scripps. Section 7.05(a) of the Scripps Disclosure Schedule contains a complete and correct list as of July 25, 2014, of (A) each outstanding Scripps Stock Option, including the holder, date of grant, exercise price, vesting schedule and number of Scripps Class A Common Shares subject thereto and (B) each outstanding Scripps RSU, including the holder, date of issuance, vesting schedule and number of Scripps Class A Common Shares subject thereto.

(b) Except as set forth in this Section 7.05, and for changes since June 30, 2014, resulting from the exercise of employee stock options or vesting and conversion of Scripps RSUs outstanding on such date, there are no outstanding (i) shares of capital stock or voting securities of Scripps, (ii) securities of Scripps convertible into or exchangeable for shares of capital stock or voting securities of Scripps or (iii) options, Scripps RSUs or other rights to acquire from Scripps, or other obligations of Scripps to issue, any capital stock, voting securities or securities convertible into or exchangeable for capital stock or voting securities of Scripps (the items in clauses (i), (ii), and (iii) being referred to collectively as the “Scripps”

Securities”). There are no outstanding obligations of Scripps or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Scripps Securities.

Section 7.06 *Scripps Entities*.

(a) Scripps Newspaper Entities.

(i) Each Scripps Newspaper Entity is a corporation or other entity duly organized or formed, validly existing and in good standing under the laws of its jurisdiction of organization or formation (in the case of good standing, to the extent such jurisdiction recognizes such concept), has all corporate or other powers and all Governmental Approvals required to carry on its business as now conducted. Each Scripps Newspaper Entity is duly qualified to do business as a foreign corporation or other entity and is in good standing in each jurisdiction where such qualification is necessary (in the case of good standing, to the extent such jurisdiction recognizes such concept). All Scripps Newspaper Entities, the owners of its capital stock (to the extent a less than wholly owned Scripps Subsidiary) and their respective jurisdictions of organization or formation are identified on Section 7.06(a) of the Scripps Disclosure Schedule. Scripps beneficially owns no interests in any Person engaged in the Scripps Newspaper Business other than the Scripps Newspaper Entities. To the Knowledge of Scripps and except as set forth on Section 7.06(a) of the Scripps Disclosure Schedule, no Scripps Newspaper Entity is engaged in any business other than the Scripps Newspaper Business or has any Liabilities relating to any other business.

(ii) All of the outstanding capital stock of, or other voting securities or ownership interests in, Scripps Spinco will be (as of immediately prior to the Scripps Newspaper Distribution) directly owned by Scripps free and clear of any Lien and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or other voting securities or ownership interests). Except as set forth on Section 7.06(a) of the Scripps Disclosure Schedule, all of the outstanding capital stock of, or other voting securities or ownership interests in, each Scripps Newspaper Entity (other than Scripps Spinco), will be (as of immediately prior to the Scripps Newspaper Distribution) directly or indirectly owned by Scripps Spinco free and clear of any Lien and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or other voting securities or ownership interests). There are no outstanding (A) securities of Scripps or any of its Subsidiaries convertible into or exchangeable for shares of capital stock or other voting securities or ownership interests in any Scripps Newspaper Entity or (B) options or other rights to acquire from Scripps or any of its Subsidiaries, or other obligation of Scripps or any of its Subsidiaries to issue, any capital stock or other voting securities or ownership interests in, or any securities convertible into or exchangeable for any capital stock or other voting securities or ownership interests in, any Scripps Newspaper Entity (the items in clauses (A) and (B) being referred to collectively as the “Scripps Newspaper Securities”). There are no outstanding obligations of Scripps or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Scripps Newspaper Securities.

(iii) After giving effect to the Scripps Newspaper Distribution, neither Scripps nor any of its Subsidiaries will own any shares of Scripps Spinco Common Stock or any other capital stock or other equity interest in any Scripps Newspaper Entity.

(b) Scripps Broadcast Entities.

(i) Each Scripps Broadcast Entity is a corporation or other entity duly organized or formed, validly existing and in good standing under the laws of its jurisdiction of organization or formation (in the case of good standing, to the extent such jurisdiction recognizes such concept), has all corporate or other powers and all Governmental Approvals required to carry on its business as now conducted. Each Scripps Broadcast Entity is duly qualified to do business as a foreign corporation or other entity and is in good standing in each jurisdiction where such qualification is necessary (in the case of good standing, to the extent such jurisdiction recognizes such concept). All Scripps Broadcast Entities, the owners of its capital stock (to the extent a less than wholly owned Scripps Subsidiary) and their respective jurisdictions of organization or formation are identified on Section 7.06(b) of the Scripps Disclosure Schedule. Scripps beneficially owns no interests in any Person engaged in the Scripps Broadcast Business other than the Scripps Broadcast Entities. To the Knowledge of Scripps and except as set forth on Section 7.06(b) of the Scripps Disclosure Schedule, no Scripps Broadcast Entity is engaged in any business other than the Scripps Broadcast Business or has any Liabilities relating to any other business.

(ii) Except as set forth on Section 7.06(b) of the Scripps Disclosure Schedule, all of the outstanding capital stock of, or other voting securities or ownership interests in, each Scripps Broadcast Entity will be (as of immediately prior to the Broadcast Merger) directly or indirectly owned by Scripps, free and clear of any Lien and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or other voting securities or ownership interests). There are no outstanding (A) securities of Scripps or any of its Subsidiaries convertible into or exchangeable for shares of capital stock or other voting securities or ownership interests in any Scripps

Broadcast Entity or (B) options or other rights to acquire from Scripps or any of its Subsidiaries, or other obligation of Scripps or any of its Subsidiaries to issue, any capital stock or other voting securities or ownership interests in, or any securities convertible into or exchangeable for any capital stock or other voting securities or ownership interests in, any Scripps Broadcast Entity (the items in clauses (A) and (B) being referred to collectively as the “Scripps Broadcast Securities”). There are no outstanding obligations of Scripps or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Scripps Broadcast Securities.

*Section 7.07 SEC Filings and the Sarbanes-Oxley Act.*

(a) Scripps has delivered or made available to Journal (i) its annual reports on Form 10-K for the years ended December 31, 2011, 2012 and 2013, (ii) its quarterly report on Form 10-Q for the quarter ended March 31, 2014, (iii) its proxy or information statements relating to meetings of, or actions taken without a meeting by, the Scripps Shareholders held since December 31, 2013, and (iv) all of its other reports, statements, schedules and registration statements filed with the SEC since December 31, 2013 (the documents referred to in this Section 7.07(a), collectively, the “Scripps SEC Documents”).

(b) As of its filing date, each Scripps SEC Document complied, and each such Scripps SEC Document filed subsequent to the date hereof will comply, as to form in all material respects with the applicable requirements of the Securities Act and the Exchange Act, as the case may be.

(c) As of its filing date (or, if amended or superseded by a filing prior to the date hereof, on the date of such filing), each Scripps SEC Document filed pursuant to the Exchange Act did not, and each such Scripps SEC Document filed subsequent to the date hereof will not, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(d) Each Scripps SEC Document that is a registration statement, as amended or supplemented, if applicable, filed pursuant to the Securities Act, as of the date such registration statement or amendment became effective, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(e) Scripps has established and maintains disclosure controls and procedures (as defined in Rule 13a-15 under the Exchange Act). Such disclosure controls and procedures are designed to ensure that material information relating to Scripps, including its consolidated Subsidiaries, is made known to Scripps’s principal executive officer and its principal financial officer by others within those entities, particularly during the periods in which the periodic reports required under the Exchange Act are being prepared. Such disclosure controls and procedures are effective in timely alerting Scripps’s principal executive officer and principal financial officer to material information required to be included in Scripps’s periodic reports required under the Exchange Act.

(f) Scripps and its Subsidiaries have established and maintain a system of internal control over financial reporting (as defined in Rule 13a-15 under the Exchange Act) (“internal controls”). Such internal controls are sufficient to provide reasonable assurance regarding the reliability of Scripps’s financial reporting and the preparation of Scripps’s financial statements for external purposes in accordance with GAAP. Scripps has disclosed, based on its most recent evaluation of internal controls prior to the date hereof, to Scripps’s auditors and audit committee (i) any significant deficiencies and material weaknesses in the design or operation of internal controls that are reasonably likely to adversely affect its ability to record, process, summarize and report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in internal controls. Scripps has made available to Journal a summary of any such disclosure made by management to its auditors and audit committee since December 31, 2010.

(g) There are no outstanding loans or other extensions of credit made by Scripps or any of its Subsidiaries to any executive officer (as defined in Rule 3b-7 under the Exchange Act) or director of Scripps. Scripps has not, since the enactment of the Sarbanes-Oxley Act, taken any action prohibited by Section 402 of the Sarbanes-Oxley Act.

(h) The financial statements included in the Scripps SEC Documents fairly present, in conformity with GAAP (except as may be indicated in the notes thereto), the consolidated financial position of Scripps and its Subsidiaries as of the dates specified therein and the consolidated results of operations and cash flows of Scripps and its Subsidiaries for the periods specified therein (subject to normal and immaterial year-end adjustments in the case of unaudited financial statements).

*Section 7.08 Carve-Out and Segment Financial Information.*

(a) The audited balance sheets as of December 31, 2013, 2012 and 2011, and the related audited statements of income and cash flows for each of the years ended December 31, 2013, 2012 and 2011, for the Scripps

Newspaper Business and, if required by the SEC to be included in the Registration Statements, the Scripps Broadcast Business that will be provided pursuant to Section 9.05, and all the audited and unaudited financial statements of each of the Scripps Newspaper Business and the Scripps Broadcast Business that will be included in the Registration Statements, will fairly present, in conformity with GAAP (except as may be indicated in the notes thereto), the financial position of each of the Scripps Newspaper Business and the Scripps Broadcast Business, as the case may be, as of the dates thereof and its results of operations and cash flows for the periods then ended (subject to normal and immaterial year-end adjustments in the case of any unaudited interim financial statements included in the Registration Statements).

(b) The financial data of the Scripps Television and Newspapers segments as of and for the twelve months ended December 31, 2013, and three months ended March 31, 2014 included in the Scripps SEC Documents (i) are derived from and are consistent with the books and records of Scripps and its Subsidiaries, (ii) are the financial data of the Scripps Television and Newspapers segments, as of and for such period, that were made available to and used by the management of Scripps and (iii) were included in the consolidated financial statements of Scripps as of and for the twelve months ended December 31, 2013, and the three months ended March 31, 2014, as contained in Scripps's Annual Report on Form 10-K and Quarterly Report on Form 10-Q as of and for such periods as filed with the SEC.

Section 7.09 *Information Supplied*. The information (including all financial data) supplied by Scripps for inclusion or incorporation in the Registration Statements and any amendments or supplements thereto and, to the Knowledge of Scripps, all information related to Newco contained therein shall not at the time the applicable Registration Statement is declared effective by the SEC or at the Broadcast Merger Effective Time contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 7.10 *Absence of Certain Changes*. (a) From January 1, 2014, until the date hereof, except as expressly contemplated by the Transaction Agreements, Scripps has conducted its businesses in the ordinary course consistent with past practice and there has not been:

- (i) any amendment of the Organizational Documents of Scripps or any of its Subsidiaries;
- (ii) any splitting, combination or reclassification of any shares of capital stock of Scripps or any of its Subsidiaries or declaration, setting aside or payment of any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of any capital stock of Scripps or any of its Subsidiaries, or redemption, repurchase or other acquisition or offer to redeem, repurchase, or otherwise acquire any capital stock of Scripps or any of its Subsidiaries;
- (iii) any issuance, delivery or sale, or authorization of the issuance, delivery or sale of, any shares of capital stock of Scripps or any of its Subsidiaries;
- (iv) any incurrence of any capital expenditures or any obligations or liabilities in respect thereof, except for any such incurrence in the ordinary course of business consistent with past practice;
- (v) any acquisition (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, of any assets, securities, properties, interests or businesses, other than any such acquisition in the ordinary course of business consistent with past practice;
- (vi) any sale, lease or other transfer of, or creation or incurrence of any Lien on, any assets, securities, properties, interests or businesses, other than (A) sales of inventory or leases of property in the ordinary course of business consistent with past practice and (B) sales of assets, securities, properties, interests or businesses with a sale price (including any related assumed indebtedness) that does not exceed \$500,000 individually, in the case of the Scripps Broadcast Business, or \$500,000 individually, in the case of the Scripps Newspaper Business;
- (vii) any making of any loans, advances or capital contributions to, or investments in, any other Person, other than in the ordinary course of business consistent with past practice;
- (viii) any creation, incurrence, assumption or sufferance to exist of any indebtedness for borrowed money or guarantees thereof, other than pursuant to and in accordance with the Scripps Credit Agreement and in the ordinary course of business consistent with past practice;
- (ix) any damage, destruction or other casualty loss (whether or not covered by insurance) materially adversely affecting the Scripps or any of its Subsidiaries;



(x) (A) any entering into of any Contract that limits or otherwise restricts in any respect Scripps or any of its Subsidiaries or that could, on or after the Closing Date, limit or restrict in any respect the Scripps Newspaper Business or the Scripps Broadcast Business from engaging or competing in any line of business, in any location or with any Person or (B) any entering into, amendment or modification in any adverse respect or termination of or any nonrenewal or expiration of any Scripps Material Contract, or waiver, release or assignment of any material rights, claims or benefits of Scripps or any of its Subsidiaries;

(xi) (A) any grant or increase of any severance or termination pay to (or amendment of any existing arrangement with) any employee, (B) any increase in benefits payable under any existing severance or termination pay policies or employment agreements of any employee, (C) any entering into of any employment, deferred compensation, retention, change in control, tax gross-up, special bonus, stay bonus or other similar agreement (or amendment of any such existing agreement) with any employee, (D) any establishment, adoption or amendment (except as required by Applicable Law) of any collective bargaining, bonus, profit-sharing, thrift, pension, retirement, deferred compensation, compensation, stock option, restricted stock or other benefit plan or arrangement covering any employee or (E) any increase in compensation, bonus or other benefits payable to any employee, in each case, other than in the ordinary course of business consistent with past practice;

(xii) any labor dispute, other than routine individual grievances, or any activity or proceeding by a labor union or representative thereof to organize any employees, or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to any employees;

(xiii) any change in Scripps's or any of its Subsidiaries' methods of accounting, except as required by concurrent changes in GAAP, Applicable Law or the Public Company Accounting Oversight Board;

(xiv) any settlement, or offer or proposal to settle, (A) any litigation, investigation, arbitration, proceeding or other claim involving or against Scripps or any of its Subsidiaries, in each case except as would not have a Scripps Material Adverse Effect, (B) any stockholder litigation or dispute against Scripps or any of its Subsidiaries or any of their respective officers or directors or (C) any litigation, arbitration, proceeding or dispute that relates to the Transactions;

(xv) any Tax election, any annual tax accounting period changed, any method of tax accounting adopted or changed, any Tax Returns amended or claims for Tax refunds filed, any closing agreement entered into, any Tax claim, audit or assessment settled, or any right to claim a Tax refund, offset or other reduction in Tax liability surrendered; or

(xvi) any adverse regulatory events, developments or changes, including recoupments not in the ordinary course of business consistent with past practice, loss of licensure or failure to renew any permits or licenses.

(b) Since December 31, 2013, there has not been any event, occurrence, development or state of circumstances or facts that constitutes a Scripps Material Adverse Effect.

Section 7.11 *No Undisclosed Liabilities*. There are no known or unknown Liabilities of Scripps or any of its Subsidiaries of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, and there is no existing condition, situation or set of circumstances that could reasonably be expected to result in such a Liability, other than:

(a) Liabilities incurred in the ordinary course of business consistent with past practice since December 31, 2013;

(b) Liabilities contemplated by or incurred in connection with the Transaction Agreements or the Transactions; and

(c) Liabilities that, individually or in the aggregate, have not had or would not reasonably be expected to have a Scripps Material Adverse Effect.

Section 7.12 *Compliance with Laws and Court Orders*. Except for matters that, individually or in the aggregate, have not had and would not reasonably be expected to have a Scripps Material Adverse Effect, each of Scripps and its Subsidiaries is, and since January 1, 2012, has been, in compliance with, and to the Knowledge of Scripps is not under investigation by any Governmental Authority with respect to and has not been threatened to be charged with or given notice of any violation of, any Applicable Law.

Section 7.13 *Finders' Fees*. Except for Wells Fargo Securities LLC ("Wells Fargo"), all of whose fees and expenses shall be paid by Scripps, there is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Scripps or any of its Affiliates that might be entitled to any fee or commission from Scripps or any of its Affiliates in connection with the Transactions.

Section 7.14 *Primary Scripps FCC Licenses*. Section 7.14(a) of the Scripps Disclosure Schedule sets forth the FCC licenses for each of the Scripps Stations that are full-power television stations (the "Primary Scripps FCC Licenses"). Scripps does not have an interest in any radio station that is attributable under the FCC's ownership rules. Except as set forth on Section 7.14(b) of the Scripps Disclosure Schedule, (a) the holders of the Primary Scripps FCC Licenses are as set forth on Section 7.14(a) of the Scripps Disclosure Schedule, (b) the Primary Scripps FCC Licenses are in effect in accordance with their terms and have not been revoked, suspended, canceled, rescinded or terminated and have not expired, (c) there is not pending, or, to the Knowledge of Scripps, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the Primary Scripps FCC Licenses (other than proceedings to amend FCC rules of general applicability), (d) there is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture with respect to the Scripps Stations that would reasonably be expected to result in any such action, (e) the Primary Scripps FCC Licenses have been issued for the full terms customarily issued by the FCC for licenses for full-service television stations, (f) the Primary Scripps FCC Licenses are not subject to any material condition except for those conditions appearing on the face of the Primary Scripps FCC Licenses and conditions generally applicable to full-service television stations, (g) Scripps and its Subsidiaries are operating the Scripps Broadcast Business in compliance in all material respects with all applicable Communications Laws, and (h) to the Knowledge of Scripps after appropriate inquiry to the FCC, there is no fact or circumstance relating to the operation of the Scripps Stations, or to Scripps or any of its Affiliates or any of their respective officers, directors, shareholders, members or partners, that might reasonably be expected to result in (i) the FCC refusing to grant the FCC Application or any Scripps Station's renewal application; (ii) any challenge to the FCC Application or any Scripps Station's renewal application; or (iii) any material delay by the FCC in granting the FCC Application or any Scripps Station's renewal application. The Primary Scripps FCC Licenses of the Scripps Stations expire or expired on the dates corresponding thereto as set forth on Section 7.14(a) of the Scripps Disclosure Schedule.

Section 7.15 *Retransmission Consent Agreements*. Section 7.15 of the Scripps Disclosure Schedule contains a list of all retransmission consent agreements with multi-channel video programming distributors, including cable systems, telephone companies, and DBS systems (together, "MVPDs") with more than 25,000 subscribers with respect to each Scripps Station. Except as set forth on Section 7.15 of the Scripps Disclosure Schedule, (a) Scripps or one of its Subsidiaries has entered into retransmission consent agreements with respect to each MVPD with more than 25,000 subscribers in any of its Stations' Nielsen Designated Market Areas ("DMAs"), (b) Scripps or one of its Subsidiaries has made a timely election for retransmission consent, pursuant to FCC rules, for the current must-carry/retransmission consent election cycle for each Scripps Station with respect to each MVPD with more than 25,000 subscribers in any of its DMAs and (c) to the Knowledge of Scripps, there are no market modification proceedings pending at the FCC with respect to any Scripps Station. Since January 1, 2013, except as set forth on Section 7.15 of the Scripps Disclosure Schedule, neither Scripps nor any of its Subsidiaries has received any written notice from any MVPD with more than 25,000 subscribers in any of the Scripps Stations' DMAs of such MVPD's intention to delete such Scripps Station from carriage or to change such Station's channel position. Since January 1, 2013, except as set forth on Section 7.15 of the Scripps Disclosure Schedule, neither Scripps nor any of its Subsidiaries has received written notice of a petition seeking FCC modification of any Scripps Station's television market.

#### Section 7.16 *Taxes*.

(a) All Tax Returns required by Applicable Law to be filed with any Taxing Authority by, or on behalf of, Scripps or its Subsidiaries have been filed when due in accordance with all Applicable Law, and all such Tax Returns are true and complete in material respects.

(b) Each of Scripps and its Subsidiaries has paid (or has had paid on its behalf) or has withheld and remitted to the appropriate Taxing Authority all Taxes due and payable, or, where payment is not yet due, has established (or has had established on its behalf and for its sole benefit and recourse) in accordance with GAAP an adequate accrual for all Taxes through the end of the last period for which it ordinarily records items on its books.

(c) The income Tax Returns of Scripps and its Subsidiaries through the Tax year ended December 31, 2009, have been examined and closed, or are Tax Returns with respect to which the applicable period for assessment under Applicable Law, after giving effect to extensions or waivers, has expired.

(d) There is no claim, audit, action, suit, proceeding or investigation now pending or, to the Knowledge of Scripps, threatened against or with respect to Scripps or any of its Subsidiaries in respect of any Tax or Tax asset.

(e) Neither Scripps nor any of its Subsidiaries has, since January 1, 2009, been a member of an affiliated, consolidated, combined or unitary group other than one of which Scripps was the common parent.

(f) Section 7.16(f) of the Scripps Disclosure Schedule contains a list of all jurisdictions (whether foreign or domestic) in which Scripps or any of its Subsidiaries currently files Tax Returns.

*Section 7.17 Employee Benefit Plans.*

(a) A complete and correct list of each Scripps Benefit Plan as of the date hereof is set forth on Section 7.17(a) of the Scripps Disclosure Schedule. Scripps has made available to Journal true and correct copies of the following (to the extent applicable): (i) written plan documents and all amendments thereto for each Scripps Benefit Plan (or to the extent no such copy exists, or Scripps Benefit Plan is not in writing, a written description of the material terms thereof), and (ii) the most recent summary plan description. Except as set forth on Section 7.17(a) of the Scripps Disclosure Schedule, none of Scripps nor any of its Subsidiaries is the sponsor or plan administrator of any Benefit Plan. Each Scripps Benefit Plan that is intended to be a “qualified plan” under Section 401(a) of the Code is so qualified and either has received a favorable determination letter or prototype opinion letter from the IRS and nothing has occurred that could reasonably be expected to adversely affect the qualification of such plan.

(b) Except as set forth on Section 7.17(b) of the Scripps Disclosure Schedule, each Scripps Benefit Plan has been established and is being operated in compliance in all material respects with its terms and Applicable Law, including ERISA and the Code.

(c) Except as set forth on Section 7.17(c) of the Scripps Disclosure Schedule, no Scripps Benefit Plan, either individually or collectively, provides for any payment that could result in the payment of any compensation or other payments that would not be deductible under the terms of Section 280G of the Code after giving effect to the Transactions. Except as set forth in Section 7.17(c) of the Scripps Disclosure Schedule, the disallowance of a deduction under Section 162(m) of the Code for remuneration will not apply to any amount paid or payable by Scripps under any Contract, Benefit Plan, program or arrangement.

(d) Except as set forth on Section 7.17(d) of the Scripps Disclosure Schedule, or as contemplated by the Employee Matters Agreement, neither the execution and delivery of this Agreement nor the consummation of the Transactions shall: (i) result in the acceleration of the time of payment or vesting or creation of any rights of any current or former employee, manager or director to compensation or benefits under any Scripps Benefit Plan, (ii) result in any payment becoming due (for severance or termination pay or otherwise), or increase the amount of any compensation due, to any current or former employee, manager or director of Scripps or any of its Subsidiaries, (iii) increase any benefits otherwise payable under any Scripps Benefit Plan, or (iv) result in any liability of Scripps or any of its Subsidiaries for any benefits, premiums, or costs associated with any Scripps Benefit Plan that is a welfare benefit plan.

(e) Except as set forth on Section 7.17(e) of the Scripps Disclosure Schedule, (i) none of Scripps nor any of its Subsidiaries, within the last five (5) years, has contributed to, nor ever has been required to contribute to, nor has any liability to, any multiemployer plan, and (ii) no Scripps Benefit Plan is (A) subject to Section 412 of the Code or Title IV of ERISA, (B) is a “multiple employer plan” within the meaning of Section 210 of ERISA or Section 413(c) of the Code, (C) is a “multiple employer welfare arrangement” as such term is defined in Section 3(40) of ERISA, or (D) provides group health or death benefits following termination of employment, other than to the extent required by Part 6 of Subtitle B of Title I of ERISA or Section 4980B of the Code or by a comparable state law.

(f) Each Scripps Benefit Plan complies in form and operation and has been operated in material compliance with Section 409A of the Code, and none of Scripps or any of its Subsidiaries has reported, or is required to report, any violations of Section 409A of the Code.

(g) Except as provided in Section 7.17(g) of the Scripps Disclosure Schedule, Scripps can unilaterally amend, terminate, or discontinue participation in any Scripps Benefit Plan at any time, including, but not limited to, any severance, termination, or retention program.

(h) With respect to each group health plan benefiting any current or former Scripps Employee that is subject to Section 4980B of the Code, or was subject to Section 162(k) of the Code, Scripps has complied in all material respects with (i) the continuation coverage requirements of Section 4980B of the Code and Section 162(k) of the Code, as applicable, and Part 6 of Subtitle B of Title I of ERISA; (ii) the Health Insurance Portability and Accountability Act of 1996, as amended; and (iii) the Patient Protection and Affordable Care Act of 2010, as amended.

(i) With respect to each group health plan that is subject to Section 1862(b)(1) of the Social Security Act (42 U.S.C. § 1395y(b)), Scripps has complied in all material respects with the secondary payer requirements of Section 1862(b)(1) of such Act.

(j) There is no pending or, to the Knowledge of Scripps, threatened assessment, complaint, proceeding, or investigation of any kind in any court or Governmental Authority with respect to any Scripps Benefit Plan (other than routine claims for benefits), nor is there any basis for one.

(k) All (i) insurance premiums required to be paid with respect to, (ii) benefits, expenses, and other amounts due and payable under, and (iii) contributions, transfers, or payments required to be made to, any Scripps Benefit Plan have been paid, made or accrued.

(l) With respect to any insurance policy providing funding for benefits under any Scripps Benefit Plan, (i) there is no liability of Scripps, in the nature of a retroactive rate adjustment, loss sharing arrangement, or other actual or contingent liability, nor would there be any such liability if such insurance policy was terminated on the date hereof, and (ii) no insurance company issuing any such policy is in receivership, conservatorship, liquidation or similar proceeding and, to the Knowledge of Scripps, no such proceedings with respect to any insurer are imminent.

(m) Scripps has not agreed or committed to institute any new plan, program, arrangement or agreement for the benefit of employees or former employees of Scripps other than the Scripps Benefit Plans identified on Section 7.17(m) of the Scripps Disclosure Schedule, or to make any amendments to any of the Scripps Benefit Plans.

(n) Each individual who is classified by Scripps as an independent contractor or contract worker has been properly classified by Scripps for the purposes of participation under each Scripps Benefit Plan.

#### Section 7.18 *Environmental Matters.*

(a) No notice, notification, demand, request for information, citation, summons or order has been received, no complaint has been filed, no penalty has been assessed relating to Scripps and its Subsidiaries and relating to or arising out of any Environmental Law, in each case excepting matters that have been fully resolved and for which all obligations have been fully completed.

(b) No investigation, action, claim, suit, proceeding or review (or any basis therefor) is pending or, to the Knowledge of Scripps, is threatened by any Governmental Authority or other Person relating to Scripps or its Subsidiaries and relating to or arising out of any Environmental Law.

(c) Each of Scripps and its Subsidiaries is in compliance in all material respects with all Environmental Laws and all Environmental Permits.

(d) There are no Liabilities of Scripps and its Subsidiaries of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise arising under or relating to any Environmental Law or any Hazardous Substance, and there is no condition, situation, omission or set of circumstances that could reasonably be expected to result in or be the basis for any such Liability.

(e) There have been no environmental investigations, studies, audits, tests, reviews or other analyses conducted of which Scripps has Knowledge in relation to the current or prior business of Scripps and its Subsidiaries or any property or facility now or previously owned or leased by Scripps and its Subsidiaries that reveal matters that, individually or in the aggregate, have had or could reasonably be expected to have, a Scripps Material Adverse Effect.

#### Section 7.19 *Property Matters.*

(a) Section 7.19(a) of the Scripps Disclosure Schedule sets forth a complete and accurate list as of the date hereof of all material real property leased, subleased or licensed by Scripps and its Subsidiaries (collectively, the "Scripps Leases"), including, with respect to each location, a statement of (i) the location of the premises (the "Scripps Leased Premises"), (ii) the landlord, (iii) the date of the Scripps Lease, (iv) the dates of any extensions, amendments, supplements and other modifications thereof and (v) the business (Scripps Newspaper Business or Scripps Broadcast Business) to which each Scripps Lease pertains. All Scripps Leases are valid, in full force and effect and free and clear of Liens other than Permitted Liens. Neither Scripps nor any of its Subsidiaries nor, to the Knowledge of Scripps, any other party to any Scripps Lease has (i) violated any provisions of, or committed or failed to perform any act that, with or without notice, lapse of time or both, would constitute a default under the provisions of such Scripps Lease, (ii) received notice of any of the events in clause (i) above or

(iii) received notice of termination, cancellation or non-renewal of any Scripps Lease. Scripps has made available to Journal true and complete, in all material respects, copies of all the Scripps Leases, all modifications or amendments thereto, waivers thereunder or guarantees or superior leases in connection therewith and all subordination and non-disturbance agreements relating thereto.

(b) Section 7.19(b) of the Scripps Disclosure Schedule sets forth a complete and accurate list as of the date hereof of all real property owned by Scripps and its Subsidiaries (collectively, the “Scripps Owned Properties”) and a statement as to the business (the Scripps Newspaper Business or the Scripps Broadcast Business) in which each Scripps Owned Property is used. The Scripps Owned Properties and the Scripps Leased Premises constitute all of the real property used or occupied by Scripps and its Subsidiaries. Each entity listed on Section 7.19(b) of the Scripps Disclosure Schedule as owning a Scripps Owned Property has good and marketable fee simple title to such Scripps Owned Property, subject to no Liens other than Permitted Liens.

(c) There does not exist any pending condemnation or eminent domain proceeding that affects any Scripps Owned Property, or to the Knowledge of Scripps, any such proceeding that affects any Scripps Leased Premises, or to the Knowledge of Scripps, any threatened condemnation or any eminent domain proceeding that affects any Scripps Owned Property or Scripps Leased Premises, and neither Scripps nor any of its Subsidiaries has received any written notice of the intention of any Governmental Authority or other Person to take or use any Scripps Owned Property or Scripps Leased Premises. No material buildings in connection with the Scripps Owned Property are located in a flood plain.

(d) Other than the Scripps Leases, any superior leases under which Scripps Leases that are subleases are created and Permitted Liens, none of the Scripps Owned Property or, to the Knowledge of Scripps, the Scripps Leased Premises are subject to any Contract granting to any Person other than Scripps or its Subsidiaries any right to the use, occupancy or enjoyment of such Scripps Owned Property or Scripps Leased Premises or any part thereof.

#### Section 7.20 *Intellectual Property.*

(a) Scripps or its Subsidiaries own or otherwise have the right to use all Intellectual Property necessary to conduct its businesses as currently conducted (the “Scripps Intellectual Property”). There exist no restrictions on the disclosure, use, license or transfer of the Scripps Intellectual Property owned by Scripps and its Subsidiaries (the “Owned Scripps Intellectual Property”). For purposes of this Agreement, the term “Intellectual Property” means (i) patents, trademarks, service marks, trade names, logos, domain names, copyrights, designs and trade secrets, (ii) applications for and registrations of such patents, trademarks, service marks, trade names, logos, domain names, copyrights and designs, (iii) know-how, inventions, whether or not patentable, computer software programs and applications (including source code and object code), databases and data collections, (iv) Websites and (v) any other similar type of proprietary intellectual property right.

(b) The execution and delivery of this Agreement by Scripps and the consummation of the Transactions will not encumber, impair or extinguish any Scripps Intellectual Property. Section 7.20(b) of the Scripps Disclosure Schedule sets forth a complete and accurate list for each of the Scripps Newspaper Business and the Scripps Broadcast Business separately of all (i) registrations or applications for registration included in the Owned Scripps Intellectual Property and (ii) all agreements (excluding licenses for commercial off the shelf computer software that are generally available on nondiscriminatory pricing terms which have an aggregate acquisition cost of \$1,000,000 or less) to which Scripps or any of its Subsidiaries is a party or otherwise bound that are material to either the Scripps Newspaper Business or the Scripps Broadcast Business and pursuant to which Scripps or any of its Subsidiaries (A) obtains the right to use any Intellectual Property and/or (B) grants the right to use any Intellectual Property.

(c) To the Knowledge of Scripps, the conduct of its businesses as currently conducted does not infringe, violate or constitute a misappropriation of any Intellectual Property of any Third Party in any material respect. Since January 1, 2012, neither Scripps nor any of its Subsidiaries has received any written claim or notice alleging any such material infringement, violation or misappropriation, and there is no claim, action, suit, investigation or proceeding currently pending against, or, to the Knowledge of Scripps, threatened against Scripps or any of its Subsidiaries (i) based upon, or challenging or seeking to deny or restrict, the rights of Scripps or its Subsidiaries in any material portion of the Scripps Intellectual Property, (ii) alleging that the use of the Scripps Intellectual Property or any services provided, processes used or products manufactured, used, imported, offered for sale or sold by Scripps or its Subsidiaries do or may conflict with, misappropriate, infringe or otherwise materially violate any Intellectual Property of any Third Party or (iii) alleging that Scripps or any of its Subsidiaries have materially infringed, misappropriated or otherwise violated any Intellectual Property of any Third Party.

(d) None of the Scripps Intellectual Property has been adjudged invalid or unenforceable in whole or part, and, to the Knowledge of Scripps, all such Scripps Intellectual Property is valid and enforceable. To the Knowledge of Scripps, no Third Party is infringing, violating or misappropriating any of the Scripps Intellectual Property in any material respect.

(e) With respect to each Website, to the Knowledge of Scripps, Scripps has taken commercially reasonable steps to: (i) maintain what it believes are adequate computer resources to help ensure that no service outages will occur due to insufficient data-storage, memory, server response levels or other related reasons (except outages which are at industry acceptable levels); (ii) protect the confidentiality, integrity and security of such Websites against any unauthorized use, access, interruption, modification or corruption, as the case may be; (iii) obtain consent for its acquisition, storage, transfer and use of personal information as required by Applicable Law; and (iv) put in place policies and procedures to limit the liability of Scripps as a host of user-generated content. To the Knowledge of Scripps, all material proprietary Intellectual Property produced or otherwise exclusively generated by or for Scripps, whether by assignment, work made for hire or otherwise, including any content posted on the Websites and which material Intellectual Property is produced solely by or for the benefit of Scripps, is owned exclusively or validly licensed by Scripps. Scripps has taken reasonable steps to ensure that all Persons (including current and former employees of Scripps and any independent contractors) who create or contribute to material proprietary Intellectual Property owned or used by Scripps in the conduct of its businesses have assigned to Scripps in writing all of their rights therein that did not initially vest with Scripps by operation of law.

Section 7.21 *Scripps Material Contracts.*

(a) Except as set forth on Section 7.21(a) of the Scripps Disclosure Schedule, as of the date hereof, neither Scripps nor any of its Subsidiaries is a party to or otherwise bound by:

(i) any “material contract” (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC);

(ii) any employment or consulting Contract with any Scripps Employee providing for base compensation in excess of \$350,000 in the case of the Scripps Newspaper Business or \$350,000 in the case of the Scripps Broadcast Business, other than those that are terminable by Scripps on no more than thirty (30) days’ notice without liability or financial obligation to Scripps;

(iii) any Contract containing any covenant (A) limiting the right of Scripps or any of its Subsidiaries to engage in any line of business or compete with any Person in any line of business or to compete with any party, (B) granting any exclusive rights to make, sell or distribute the products or services of Scripps or any of its Subsidiaries or (C) otherwise prohibiting or limiting the right of Scripps or any of its Subsidiaries to make, sell or distribute any products or services;

(iv) any Contract relating to the disposition or acquisition by Scripps or any of its Subsidiaries of an amount of assets or of any business (whether by merger, sale of stock, sale of assets or otherwise) with a value in excess of \$500,000 in the case of the Scripps Newspaper Business, or \$500,000 in the case of the Scripps Broadcast Business or pursuant to which Scripps or any of its Subsidiaries has any ownership interest with a value in excess of \$500,000 in the case of the Scripps Newspaper Business or \$500,000 in the case of the Scripps Broadcast Business, in any other Person other than any Subsidiaries;

(v) any Contract to license any Third Party to manufacture or reproduce any of Scripps’s or any of its Subsidiaries’ products, services or technology or any Contract to sell or distribute any of Scripps’s or any of its Subsidiaries’ products, services or technology, except agreements entered into in the ordinary course of business consistent with past practice;

(vi) any mortgages, indentures, guarantees, loans or credit agreements, security agreements or other Contracts relating to the borrowing of money or extension of credit, in each case other than accounts receivables and payables in the ordinary course of business consistent with past practice;

(vii) any Contract under which Scripps or any of its Subsidiaries has licensed its Intellectual Property to a Third Party, other than in the ordinary course of business consistent with past practice;

(viii) any Contract under which Scripps or any of its Subsidiaries has received a license to any Intellectual Property owned by a Third Party that either has required or is anticipated to require payment by any Person in excess of \$1,000,000 in the case of the Scripps Newspaper Business, or \$1,000,000 in the case of the Scripps Broadcast Business;

(ix) any Contract providing for the purchase by Scripps or any of its Subsidiaries of materials, supplies, goods, services, equipment or other assets that provides for either (A) annual payments by Scripps or any of its

Subsidiaries of \$1,000,000, in the case of the Scripps Newspaper Business, or \$1,000,000 in the case of the Scripps Broadcast Business, or more, or (B) aggregate payments by Scripps or any of its Subsidiaries of \$2,500,000 in the case of the Scripps Newspaper Business, or \$2,500,000 in the case of the Scripps Broadcast Business, or more;

- (x) any Contract relating to the leasing of personal property by Scripps or any of its Subsidiaries providing for annual rentals of \$500,000 in the case of the Scripps Newspaper Business, or \$500,000 in the case of the Scripps Broadcast Business, or more;
- (xi) any Contract relating to a partnership, joint venture or other similar arrangement;
- (xii) any Contract relating to retransmission consent or network affiliation;
- (xiii) any collective bargaining Contract;
- (xiv) any Contract relating to the leasing of digital subchannels;
- (xv) any Contract relating to (A) the syndication, ownership or licensing of programming, film or other content not covered by subclauses (vii) or (viii), above, or (B) the sale of advertising time, in each case other than in the ordinary course of business consistent with past practice;
- (xvi) any Contract relating to agency, dealer, sales representative, marketing or similar arrangements providing for annual payments of \$1,000,000 in the case of the Scripps Newspaper Business, or \$1,000,000 in the case of the Scripps Broadcast Business, or more; or
- (xvii) any other Contract not listed above that is material to its business as currently conducted.

(b) The Contracts disclosed or required to be disclosed on Section 7.21(a) of the Scripps Disclosure Schedule are referred to herein as the “Scripps Material Contracts”. A true and complete copy of each Scripps Material Contract (including any modifications and amendments thereto or waivers thereunder) has been made available to Journal. Section 7.21(a) of the Scripps Disclosure Schedule identifies each Scripps Material Contract applicable to the Scripps Newspaper Business or the Scripps Broadcast Business.

(c) All Scripps Material Contracts are valid and in full force and effect. Since January 1, 2014, neither Scripps nor any of its Subsidiaries, and, to the Knowledge of Scripps, no Third Party to any such Scripps Material Contract, has (i) violated any provision of, or committed or failed to perform any act that, with or without notice, lapse of time or both, would constitute a material default under the provisions of any Scripps Material Contract, (ii) received notice of any of the events set forth in clause (i) above or (iii) received notice of termination, cancellation or non-renewal of any Scripps Material Contract.

#### Section 7.22 *Labor Matters.*

(a) Section 7.22(a) of the Scripps Disclosure Schedule sets forth a complete and correct list, dated as of a date no earlier than five (5) days prior to the date hereof, of all current Scripps Employees, including each current Scripps Employee’s name, date of hire, current rate of base compensation, department and title. As used herein, “Scripps Employee” means each natural person (i) who is employed by Scripps or any of its Subsidiaries, as of a date no earlier than five (5) days prior to the date hereof or (ii) who becomes employed by Scripps or any of its Subsidiaries following such date and, in each case, is employed by Scripps or any of its Subsidiaries immediately prior to the Closing Date.

(b) Except as set forth on Section 7.22(b) of the Scripps Disclosure Schedule, as of the date hereof, to the Knowledge of Scripps (i) there is not pending or threatened in any manner against Scripps or any of its Subsidiaries any labor dispute, strike, slowdown, picketing or work stoppage by a group of Scripps Employees, (ii) there is no organizational effort, campaign, petition or other unionization activities currently being made, or threatened in any manner, by or on behalf of any labor union with respect to any Scripps Employees, including those who are not already represented by a labor union, and (iii) Scripps and all of its Subsidiaries are in compliance in all material respects with all applicable labor and employment laws in connection with the employment of the Scripps Employees, including those laws relating to employment practices, immigration, workers’ compensation, worker safety, wages and hours, employee classification, the payment of social security and similar taxes, discrimination, collective bargaining and plant closing or layoff under the Worker Adjustment and Retraining and Notifications Act or similar laws and regulations (“WARN”). Neither Scripps nor any of its Subsidiaries has experienced any strike, slowdown, picketing, work stoppage or other similar material labor difficulty within the twelve (12) months preceding the date hereof.

(c) Except as set forth on Section 7.22(c) of the Scripps Disclosure Schedule, as of the date hereof, neither Scripps nor any of its Subsidiaries is a signatory or a party to, or otherwise bound by, any collective bargaining agreement which covers any Scripps Employees or former Scripps Employees, or has agreed to recognize any union or other collective bargaining unit with respect to any Scripps Employees. With respect to any item listed on Section 7.22(c) of the Scripps Disclosure Schedule, to the Knowledge of Scripps, neither Scripps nor any of its Subsidiaries (i) has been notified in any manner of any claim or grievance under any collective bargaining agreement, (ii) has pending or threatened in any manner against it any charge or unfair labor practice complaint before any applicable Governmental Authority, (iii) has pending or threatened in any manner against it any demand for or notification of an arbitration proceeding arising out of or under any collective bargaining agreement, or (iv) is in or alleged to be in violation of any collective bargaining agreement to which it is a party.

Section 7.23 *Insurance*. Scripps has furnished to Journal a list of, and true and complete copies of, all insurance policies relating to its businesses and its officers and employees. There is no claim by Scripps nor any of its Subsidiaries pending under any of such policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies or in respect of which such underwriters have reserved their rights. All premiums payable under all such policies have been timely paid and Scripps and its Subsidiaries have otherwise complied in all material respects with the terms and conditions of all such policies. Such policies of insurance are in full force and effect. Scripps does not know of any threatened termination of, premium increase with respect to, or alteration of coverage under, any of such policies.

Section 7.24 *Intercompany Transactions*. Except as otherwise provided in this Agreement, since January 1, 2012, there has not been any transaction between Scripps and its Subsidiaries (other than the Scripps Newspaper Entities), on the one hand, and the Scripps Newspaper Entities, on the other hand, other than in the ordinary course of business consistent with past practice.

Section 7.25 *Sufficiency of Transferred Assets*. Subject to Section 2.04, as of the Newspaper Merger Effective Time, no Scripps Newspaper Assets will be owned or held by Scripps or any of the Scripps Broadcast Entities. As of the Newspaper Merger Effective Time, assuming the consummation of the transactions contemplated by Articles 2 and 3 and the availability of any assets and services contemplated to be made available to Newco and its Subsidiaries (including the Scripps Newspaper Entities) pursuant to the terms of the Transaction Agreements, the Scripps Newspaper Assets will be sufficient to conduct the Scripps Newspaper Business as currently conducted.

Section 7.26 *Tax Treatment*. Neither Scripps nor any of its Affiliates has taken or agreed to take any action, and Scripps has no Knowledge of any fact or circumstance, that would (a) prevent the SMI Newspaper Contribution and the SMI Newspaper Distribution from qualifying as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code; (b) prevent the SMI Newspaper Distribution from qualifying as tax-free under Section 355(a) of the Code to Scripps and as tax-free to SMI under Section 361(c) of the Code; (c) cause Section 355(e) of the Code to apply to the SMI Newspaper Distribution; (d) prevent the Scripps Newspaper Contribution and Scripps Newspaper Distribution from qualifying as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code; (e) prevent the Scripps Newspaper Distribution from qualifying as tax-free under Section 355(a) of the Code to the Scripps Shareholders and as tax-free to Scripps under Section 361(c) of the Code; (f) cause Section 355(e) of the Code to apply to the Scripps Newspaper Distribution; (g) otherwise cause the Scripps Spinco Common Stock to fail to be treated as “qualified property” for purposes of Section 361(c)(2) of the Code; (h) prevent the Newspaper Mergers from qualifying as exchanges described in Section 351 of the Code and/or reorganizations described in Sections 368(a)(1)(B) and/or 368(a)(2)(E) of the Code; or (i) prevent the Broadcast Merger from qualifying as a reorganization described in Section 368(a) of the Code.

Section 7.27 *Opinion of Financial Advisor*. The Board of Directors of Scripps has received written opinions of Wells Fargo to the effect that, as of the date of such opinions and based upon and subject to the assumptions, qualifications and limitations set forth therein, (a) the Scripps Newspaper Exchange Ratio in connection with the Scripps Newspaper Merger pursuant to this Agreement is fair, from a financial point of view, to holders of shares of Scripps Common Shares who receive shares of Scripps Spinco Common Stock pursuant to the Scripps Newspaper Distribution and (b) the Broadcast Exchange Ratio pursuant to this Agreement is fair, from a financial point of view, to Scripps.

Section 7.28 *FCC Qualification*. The Broadcast Merger will not result in any change in control of the Scripps Stations under the Communications Laws, including any pro forma change in control. Subject to prior effectuation of the Newspaper Mergers as contemplated by this Agreement and to the ownership limits identified in Section 8.14 of the Journal Disclosure Schedule, Scripps is legally, financially and otherwise qualified under the Communications Laws to be or control the licensee of, acquire, own, and operate the Journal Stations, and there are no facts or circumstances that would, under the Communications Laws and the existing procedures of the FCC, disqualify Scripps as a transferee of the FCC Transfer Licenses or any of the Journal Broadcast Entities or as the owner and operator of the Journal Stations. Scripps is in compliance with Section 310(b) of the Communications Laws and the FCC’s rules governing alien ownership. Except as set out on Section 8.14 of the Journal Disclosure Schedule, no waiver of or exemption from any provision of the Communications Laws and



policies of the FCC is necessary for the FCC Consent to be obtained and there are no facts or circumstances relating to Scripps that might reasonably be expected to (a) result in the FCC's refusal to grant the FCC Consent or otherwise disqualify Scripps, (b) materially delay obtaining the FCC Consent, (c) result in a challenge to the FCC Application or (d) cause the FCC to impose a material condition or conditions on its granting of the FCC Consent. Other than the signatories to the Scripps Family Agreement and the officers and directors of Scripps and SMI, no person has or following the Broadcast Merger will have an attributable ownership or positional interest in Scripps or SMI under the Communications Laws, and following the Newspaper Mergers none of the signatories to the Scripps Family Agreement will have an attributable ownership interest in Newco under the Communications Laws. Neither the Scripps Family Agreement nor any other agreement to like effect shall apply to shares of Newco held by the parties to the Scripps Family Agreement following the Newspaper Merger.

Section 7.29 *No Additional Representations*. Except for the representations and warranties made by Scripps in this Article 7, neither Scripps nor any other Person makes any express or implied representation or warranty with respect to Scripps or its Subsidiaries or their respective businesses, operations, assets, liabilities, conditions (financial or otherwise) or prospects in connection with this Agreement or the Transactions, and Scripps hereby disclaims any such other representations or warranties. In particular, without limiting the foregoing disclaimer, neither Scripps nor any other Person makes or has made any representation or warranty to any of the other parties or any of their Affiliates or Representatives with respect to (a) any financial projection, forecast, estimate, budget or prospect information relating to Scripps, any of its Subsidiaries or their respective businesses, or (b) any oral or, except for the representations and warranties made by Scripps in this Article 7, written information presented to any of the other parties hereto or any of their Affiliates or Representatives in the course of their due diligence investigation of Scripps, the negotiation of this Agreement or in the course of the Transactions.

## ARTICLE 8 REPRESENTATIONS AND WARRANTIES OF JOURNAL

Except as set forth in the (i) Journal SEC Documents (excluding any disclosures in the Journal SEC Documents under the heading "Risk Factors" and any other disclosures that are predictive or forward-looking in nature) or the (ii) Journal Disclosure Schedule, Journal represents and warrants to Scripps that:

Section 8.01 *Corporate Existence and Power*. Each of Journal and its Subsidiaries is a corporation or other entity duly organized or formed, validly existing and in good standing under the laws of the state of its organization or formation (in the case of good standing to the extent such state recognizes such concept) and has all corporate or other powers and all Governmental Approvals required to carry on its business as now conducted. Each of Journal and its Subsidiaries is duly qualified to do business as a foreign corporation or other entity and is in good standing in each jurisdiction where such qualification is necessary (in the case of good standing to the extent such jurisdiction recognizes such concept). Journal has heretofore delivered or made available to Scripps true and complete copies of the Organizational Documents of Journal and each of its Subsidiaries, as currently in effect.

### Section 8.02 *Corporate Authorization*.

(a) The execution, delivery and performance by Journal and its Subsidiaries of the Transaction Agreements to which they are or will be party, and the consummation by Journal and its Subsidiaries of the Transactions are within Journal's and its applicable Subsidiaries' corporate or other powers and, upon obtaining the Journal Shareholder Approval, will have been duly authorized by all necessary corporate or other action on the part of Journal and such Subsidiaries. Each Transaction Agreement to which Journal or any of its Subsidiaries is or will be a party constitutes, or will, when executed, constitute, a valid and binding agreement of Journal and each such Subsidiary that is a party thereto, enforceable against Journal and each such Subsidiary in accordance with its terms, except (i) as the same may be limited by applicable bankruptcy, insolvency, moratorium or similar laws of general application relating to or affecting creditors' rights and (ii) for the limitations imposed by general principles of equity.

(b) At a meeting duly called and held, Journal's Board of Directors has unanimously (i) determined that this Agreement and the Transactions are advisable and fair to and in the best interests of the Journal Shareholders, (ii) approved and adopted this Agreement and the Transactions, (iii) resolved to recommend approval and adoption of the Journal Newspaper Distribution and Journal Newspaper Merger, and the Broadcast Merger, to the holders of Journal Common Stock and (iv) directed that the Journal Newspaper Distribution and the Journal Newspaper Merger, and the Broadcast Merger, be submitted to the holders of Journal Common Stock for their approval and adoption.

(c) The only vote or consent of holders of any class or series of capital stock of Journal necessary to approve this Agreement and the Transactions is the Journal Shareholder Approval. Journal is not party or subject to any stockholder rights agreement, "poison pill" or similar anti-takeover agreement or plan. The Board of Directors of Journal has

adopted such resolutions as may be necessary to render inapplicable to this Agreement and the Transactions any restrictions on “business combinations” (or the equivalent term) as may be set forth in any Applicable Laws. No “fair price,” “moratorium,” “control share acquisition” or other similar anti-takeover statute or regulation applicable to Journal enacted under any Applicable Law applies to this Agreement or the Transactions.

(d) Journal Spinco’s Board of Directors has unanimously (i) determined that this Agreement and the Transactions (including the Journal Newspaper Merger) are advisable and fair to and in the best interests of the sole stockholder of Journal Spinco, (ii) approved and adopted this Agreement and the Transactions (including the Journal Newspaper Merger), (iii) resolved to recommend approval and adoption of this Agreement and the Transactions (including the Journal Newspaper Merger) by the sole stockholder of Journal Spinco and (iv) directed that this Agreement and the Transactions (including the Journal Newspaper Merger) be submitted to the sole stockholder of Journal Spinco for its approval and adoption. Journal, as sole stockholder of Journal Spinco as of the date hereof, has duly adopted this Agreement (including the agreement of merger herein for the Journal Newspaper Merger) and the Transactions, including the Journal Newspaper Merger by all necessary stockholder action.

Section 8.03 *Governmental Authorization*. The execution, delivery and performance by Journal and its Subsidiaries of the Transaction Agreements to which they are or will be party and the consummation by Journal and such Subsidiaries of the Transactions require no action by or in respect of, or filing with, any Governmental Authority other than (a) the filing of certificates or articles of merger with respect to the Mergers with the Secretary of State of Delaware or the Wisconsin Department of Financial Institutions, as applicable, and appropriate documents with the relevant authorities of other states in which Journal is qualified to do business, (b) compliance with any applicable requirements of the HSR Act, (c) compliance with any applicable requirements of the Securities Act, the Exchange Act, and any other applicable U.S. state or federal securities laws, (d) compliance with the applicable requirements of the Communications Laws, (e) compliance with the rules and regulations of the NYSE and (f) any actions or filings the absence of which would not be reasonably expected to have, individually or in the aggregate, a Journal Material Adverse Effect or impair the ability of Journal and its applicable Subsidiaries to consummate the Transactions.

Section 8.04 *Non-contravention*. The execution, delivery and performance by Journal and its Subsidiaries of the Transaction Agreements to which they are or will be party and the consummation of the Transactions do not and will not (a) contravene, conflict with, or result in any violation or breach of any provision of the Organizational Documents of Journal or any such Subsidiary, (b) assuming compliance with the matters referred to in Section 8.03, contravene, conflict with or result in a violation or breach of any provision of any Applicable Law, (c) assuming compliance with the matters referred to in Section 8.03, and except as set forth on Section 8.04 of the Journal Disclosure Schedule, require any Consent or other action by any Person under, constitute a default, or an event that, with or without notice or lapse of time or both, would constitute a default, under, or cause or permit the termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit to which Journal or any of its Subsidiaries is entitled under any provision of any Contract binding upon Journal or any of its Subsidiaries or any franchise, permit, certificate, approval or other similar authorization affecting, or relating in any way to, the assets or business of Journal or any of its Subsidiaries or (d) result in the creation or imposition of any Lien on any asset of Journal or any of its Subsidiaries, with such exceptions, in the case of each of clauses (b) through (d), as would not be reasonably expected to have, individually or in the aggregate, a Journal Material Adverse Effect or prohibit or impair or delay the ability of Journal or any of its Subsidiaries to consummate the Transactions.

Section 8.05 *Capitalization*.

(a) The authorized capital stock of Journal consists of (i) 170,000,000 shares of Journal Class A Common Stock, (ii) 120,000,000 shares of Journal Class B Common Stock, and (iii) 10,000,000 shares of Preferred Stock. As of July 25, 2014, there were outstanding (i) 44,953,473 shares of Journal Class A Common Stock, (ii) 5,958,878 shares of Journal Class B Common Stock, (iii) 199,191 unvested Journal RSUs convertible into an aggregate of 191,171 shares of Journal Class B Common Stock (which number could change based on the Closing Date and Journal’s financial performance prior to the Closing Date), (iv) 742,207 Journal SARs which may be settled in shares of Journal Class B Common Stock and (v) no Preferred Shares. All outstanding shares of capital stock of Journal have been, and all shares that may be issued pursuant to any compensatory plan or arrangement will be, when issued in accordance with the respective terms thereof, duly authorized and validly issued and are fully paid and nonassessable. No Subsidiary of Journal owns any shares of capital stock of Journal. Section 8.05(a) of the Journal Disclosure Schedule contains a complete and correct list as of July 25, 2014, of (A) each outstanding Journal Stock Option, including the holder, date of grant, exercise price, vesting schedule and number of shares of Journal Common Stock subject thereto and (B) each outstanding Journal RSU including the holder, date of issuance, vesting schedule and number of shares of Journal Common Stock subject thereto.

(b) Except as set forth in this Section 8.05, for changes since June 30, 2014, resulting from the exercise of employee stock options or vesting and conversion of Journal RSUs outstanding on such date and for outstanding rights under the Journal Employee Stock Purchase Plan, there are no outstanding (i) shares of capital stock or voting securities

of Journal, (ii) securities of Journal convertible into or exchangeable for shares of capital stock or voting securities of Journal or (iii) options, Journal RSUs or other rights to acquire from Journal, or other obligations of Journal to issue, any capital stock, voting securities or securities convertible into or exchangeable for capital stock or voting securities of Journal (the items in clauses (i), (ii), and (iii) being referred to collectively as the “Journal Securities”). There are no outstanding obligations of Journal or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Journal Securities.

Section 8.06 *Journal Entities.*

(a) Journal Newspaper Entities.

(i) Each Journal Newspaper Entity is a corporation or other entity duly organized or formed, validly existing and in good standing under the laws of its jurisdiction of organization or formation (in the case of good standing, to the extent such jurisdiction recognizes such concept), has all corporate or other powers and all Governmental Approvals required to carry on its business as now conducted. Each Journal Newspaper Entity is duly qualified to do business as a foreign corporation or other entity and is in good standing in each jurisdiction where such qualification is necessary (in the case of good standing, to the extent such jurisdiction recognizes such concept). All Journal Newspaper Entities, the owners of its capital stock (to the extent a less than wholly owned Journal Subsidiary) and their respective jurisdictions of organization or formation are identified on Section 8.06(a) of the Journal Disclosure Schedule. Journal beneficially owns no interests in any Person engaged in the Journal Newspaper Business other than the Journal Newspaper Entities. To the Knowledge of Journal and except as set forth on Section 8.06(a) of the Journal Disclosure Schedule, no Journal Newspaper Entity is engaged in any business other than the Journal Newspaper Business or has any Liabilities relating to any other business.

(ii) All of the outstanding capital stock of, or other voting securities or ownership interests in, Journal Spinco will be (as of immediately prior to the Journal Newspaper Distribution) directly owned by Journal, free and clear of any Lien and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or other voting securities or ownership interests). Except as set forth on Section 8.06(a) of the Journal Disclosure Schedule, all of the outstanding capital stock of, or other voting securities or ownership interests in, each Journal Newspaper Entity (other than Journal Spinco), will be (as of immediately prior to the Journal Newspaper Distribution) directly or indirectly owned by Journal Spinco free and clear of any Lien and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or other voting securities or ownership interests). There are no outstanding (A) securities of Journal or any of its Subsidiaries convertible into or exchangeable for shares of capital stock or other voting securities or ownership interests in any Journal Newspaper Entity or (B) options or other rights to acquire from Journal or any of its Subsidiaries, or other obligation of Journal or any of its Subsidiaries to issue, any capital stock or other voting securities or ownership interests in, or any securities convertible into or exchangeable for any capital stock or other voting securities or ownership interests in, any Journal Newspaper Entity (the items in clauses (A) and (B) being referred to collectively as the “Journal Newspaper Securities”). There are no outstanding obligations of Journal or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Journal Newspaper Securities.

(iii) After giving effect to the Journal Newspaper Distribution, neither Journal nor any of its Subsidiaries will own any shares of Journal Spinco Common Stock or any other capital stock or other equity interest in any Journal Newspaper Entity.

(b) Journal Broadcast Entities.

(i) Each Journal Broadcast Entity is a corporation or other entity duly organized or formed, validly existing and in good standing under the laws of its jurisdiction of organization or formation (in the case of good standing, to the extent such jurisdiction recognizes such concept), has all corporate or other powers and all Governmental Approvals required to carry on its business as now conducted. Each Journal Broadcast Entity is duly qualified to do business as a foreign corporation or other entity and is in good standing in each jurisdiction where such qualification is necessary (in the case of good standing, to the extent such jurisdiction recognizes such concept). All Journal Broadcast Entities, the owners of its capital stock (to the extent a less than wholly owned Journal Subsidiary) and their respective jurisdictions of organization or formation are identified on Section 8.06(b) of the Journal Disclosure Schedule. Journal beneficially owns no interests in any Person engaged in the Journal Broadcast Business other than the Journal Broadcast Entities. To the Knowledge of Journal and except as set forth on Section 8.06(b) of the Journal Disclosure Schedule, no Journal Broadcast Entity is engaged in any business other than the Journal Broadcast Business or has any Liabilities relating to any other business.

(ii) Except as set forth on Section 8.06(a) of the Journal Disclosure Schedule, all of the outstanding capital stock of, or other voting securities or ownership interests in, each Journal Broadcast Entity will be (as of immediately prior to the Broadcast Merger) directly or indirectly owned by Journal, free and clear of any Lien and free of any other limitation or restriction (including any restriction on the right to vote, sell or otherwise dispose of such capital stock or

other voting securities or ownership interests). There are no outstanding (A) securities of Journal or any of its Subsidiaries convertible into or exchangeable for shares of capital stock or other voting securities or ownership interests in any Journal Broadcast Entity or (B) options or other rights to acquire from Journal or any of its Subsidiaries, or other obligation of Journal or any of its Subsidiaries to issue, any capital stock or other voting securities or ownership interests in, or any securities convertible into or exchangeable for any capital stock or other voting securities or ownership interests in, any Journal Broadcast Entity (the items in clauses (A) and (B) being referred to collectively as the “Journal Broadcast Securities”). There are no outstanding obligations of Journal or any of its Subsidiaries to repurchase, redeem or otherwise acquire any of the Journal Broadcast Securities.

Section 8.07 *SEC Filings and the Sarbanes-Oxley Act.*

(a) Journal has delivered or made available to Scripps (i) its annual reports on Form 10-K for the years ended December 25, 2011, December 30, 2012 and December 29, 2013, (ii) its quarterly report on Form 10-Q for the quarter ended March 30, 2014, (iii) its proxy or information statements relating to meetings of, or actions taken without a meeting by, the Journal Shareholders held since December 29, 2013, and (iv) all of its other reports, statements, schedules and registration statements filed with the SEC since December 29, 2013 (the documents referred to in this Section 8.07(a), collectively, the “Journal SEC Documents”).

(b) As of its filing date, each Journal SEC Document complied, and each such Journal SEC Document filed subsequent to the date hereof will comply, as to form in all material respects with the applicable requirements of the Securities Act and the Exchange Act, as the case may be.

(c) As of its filing date (or, if amended or superseded by a filing prior to the date hereof, on the date of such filing), each Journal SEC Document filed pursuant to the Exchange Act did not, and each such Journal SEC Document filed subsequent to the date hereof will not, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(d) Each Journal SEC Document that is a registration statement, as amended or supplemented, if applicable, filed pursuant to the Securities Act, as of the date such registration statement or amendment became effective, did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading.

(e) Journal has established and maintains disclosure controls and procedures (as defined in Rule 13a-15 under the Exchange Act). Such disclosure controls and procedures are designed to ensure that material information relating to Journal, including its consolidated Subsidiaries, is made known to Journal’s principal executive officer and its principal financial officer by others within those entities, particularly during the periods in which the periodic reports required under the Exchange Act are being prepared. Such disclosure controls and procedures are effective in timely alerting Journal’s principal executive officer and principal financial officer to material information required to be included in Journal’s periodic reports required under the Exchange Act.

(f) Journal and its Subsidiaries have established and maintain a system of internal controls. Such internal controls are sufficient to provide reasonable assurance regarding the reliability of Journal’s financial reporting and the preparation of Journal’s financial statements for external purposes in accordance with GAAP. Journal has disclosed, based on its most recent evaluation of internal controls prior to the date hereof, to Journal’s auditors and audit committee (i) any significant deficiencies and material weaknesses in the design or operation of internal controls that are reasonably likely to adversely affect its ability to record, process, summarize and report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in internal controls. Journal has made available to Scripps a summary of any such disclosure made by management to its auditors and audit committee since December 31, 2010.

(g) There are no outstanding loans or other extensions of credit made by Journal or any of its Subsidiaries to any executive officer (as defined in Rule 3b-7 under the Exchange Act) or director of Journal. Journal has not, since the enactment of the Sarbanes-Oxley Act, taken any action prohibited by Section 402 of the Sarbanes-Oxley Act.

(h) The financial statements included in the Journal SEC Documents fairly present, in conformity with GAAP (except as may be indicated in the notes thereto), the consolidated financial position of Journal and its Subsidiaries as of the dates specified therein and the consolidated results of operations and cash flows of Journal and its Subsidiaries for the periods specified therein (subject to normal and immaterial year-end adjustments in the case of unaudited financial statements).

Section 8.08 *Carve-Out and Segment Financial Information.*

(a) The audited balance sheets as of December 29, 2013, December 30, 2012 and December 25, 2011, and the related audited statements of income and cash flows for each of the years ended December 29, 2013, December 30, 2012 and December 25, 2011, for the Journal Newspaper Business and, if required by the SEC to be included in the Registration Statements, the Journal Broadcast Business that will be provided pursuant to Section 10.05, and all the audited and unaudited financial statements of each of the Journal Newspaper Business and the Journal Broadcast Business that will be included in the Registration Statements, will fairly present, in conformity with GAAP (except as may be indicated in the notes thereto), the financial position of each of the Journal Newspaper Business and the Journal Broadcast Business, as the case may be, as of the dates thereof and its results of operations and cash flows for the periods then ended (subject to normal and immaterial year-end adjustments in the case of any unaudited interim financial statements included in the Registration Statements).

(b) The financial data of the Journal Broadcasting and Publishing segments as of and for the twelve months ended December 29, 2013 and three months ended March 30, 2014 included in the Journal SEC Documents (i) are derived from and are consistent with the books and records of Journal and its Subsidiaries, (ii) are the financial data of the Journal Broadcasting and Publishing segments as of and for such period, that were made available to and used by the managers of Journal and (iii) were included in the consolidated financial statements of Journal as of the twelve months ended December 29, 2013 and the three months ended March 30, 2014, as contained in Journal's Annual Report on Form 10-K and Quarterly Report on Form 10-Q as of and for such periods as filed with the SEC.

Section 8.09 *Information Supplied.* The information (including all financial data) supplied by Journal for inclusion or incorporation in the Registration Statements and any amendments or supplements thereto and, to the Knowledge of Journal, all information related to Newco contained therein shall not at the time the applicable Registration Statement is declared effective by the SEC or at the Broadcast Merger Effective Time contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

Section 8.10 *Absence of Certain Changes.* (a) From January 1, 2014, until the date hereof, except as expressly contemplated by the Transaction Agreements, Journal has conducted its businesses in the ordinary course consistent with past practice and there has not been:

- (i) any amendment of the Organizational Documents of Journal or any of its Subsidiaries;
- (ii) any splitting, combination or reclassification of any shares of capital stock of Journal or any of its Subsidiaries or declaration, setting aside or payment of any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of any capital stock of Journal or any of its Subsidiaries, or redemption, repurchase or other acquisition or offer to redeem, repurchase, or otherwise acquire any capital stock of Journal for any of its Subsidiaries;
- (iii) any issuance, delivery or sale, or authorization of the issuance, delivery or sale of, any shares of capital stock of Journal for any of its Subsidiaries;
- (iv) any incurrence of any capital expenditures or any obligations or liabilities in respect thereof, except for any such incurrence in the ordinary course of business consistent with past practice;
- (v) any acquisition (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, of any assets, securities, properties, interests or businesses, other than any such acquisition in the ordinary course of business consistent with past practice;
- (vi) any sale, lease or other transfer of, or creation or incurrence of any Lien on, any assets, securities, properties, interests or businesses, other than (A) sales of inventory or leases of property in the ordinary course of business consistent with past practice and (B) sales of assets, securities, properties, interests or businesses with a sale price (including any related assumed indebtedness) that does not exceed \$500,000 individually, in the case of the Journal Broadcast Business, or \$500,000 individually, in the case of the Journal Newspaper Business;
- (vii) any making of any loans, advances or capital contributions to, or investments in, any other Person, other than in the ordinary course of business consistent with past practice;

(viii) any creation, incurrence, assumption or sufferance to exist of any indebtedness for borrowed money or guarantees thereof, other than pursuant to and in accordance with the Journal Credit Agreement and in the ordinary course of business consistent with past practice;

(ix) any damage, destruction or other casualty loss (whether or not covered by insurance) materially adversely affecting Journal or any of its Subsidiaries;

(x) (A) any entering into of any Contract that limits or otherwise restricts in any respect Journal or any of its Subsidiaries or that could, on or after the Closing Date, limit or restrict in any respect the Journal Newspaper Business or the Journal Broadcast Business from engaging or competing in any line of business, in any location or with any Person or (B) any entering into, amendment or modification in any adverse respect or termination of or any nonrenewal or expiration of any Journal Material Contract, or waiver, release or assignment of any material rights, claims or benefits of Journal or any of its Subsidiaries;

(xi) (A) any grant or increase of any severance or termination pay to (or amendment of any existing arrangement with) any employee, (B) any increase in benefits payable under any existing severance or termination pay policies or employment agreements of any employee, (C) any entering into of any employment, deferred compensation, retention, change in control, tax gross-up, special bonus, stay bonus or other similar agreement (or amendment of any such existing agreement) with any employee, (D) any establishment, adoption or amendment (except as required by Applicable Law) of any collective bargaining, bonus, profit-sharing, thrift, pension, retirement, deferred compensation, compensation, stock option, restricted stock or other benefit plan or arrangement covering any employee or (E) any increase in compensation, bonus or other benefits payable to any employee, in each case, other than in the ordinary course of business consistent with past practice;

(xii) any labor dispute, other than routine individual grievances, or any activity or proceeding by a labor union or representative thereof to organize any employees, or any lockouts, strikes, slowdowns, work stoppages or threats thereof by or with respect to any employees;

(xiii) any change in Journal's or any of its Subsidiaries' methods of accounting, except as required by concurrent changes in GAAP, Applicable Law or the Public Company Accounting Oversight Board;

(xiv) any settlement, or offer or proposal to settle, (A) any litigation, investigation, arbitration, proceeding or other claim involving or against Journal or any of its Subsidiaries, in each case except as would not have a Journal Material Adverse Effect, (B) any stockholder litigation or dispute against Journal or any of its Subsidiaries or any of their respective officers or directors or (C) any litigation, arbitration, proceeding or dispute that relates to the Transactions;

(xv) any Tax election, any annual tax accounting period changed, any method of tax accounting adopted or changed, any Tax Returns amended or claims for Tax refunds filed, any closing agreement entered into, any Tax claim, audit or assessment settled, or any right to claim a Tax refund, offset or other reduction in Tax liability surrendered; or

(xvi) any adverse regulatory events, developments or changes, including recoupments not in the ordinary course of business consistent with past practice, loss of licensure or failure to renew any permits or licenses.

(b) Since December 31, 2013, there has not been any event, occurrence, development or state of circumstances or facts that constitutes a Journal Material Adverse Effect.

Section 8.11 *No Undisclosed Liabilities*. There are no known or unknown Liabilities of Journal or any of its Subsidiaries of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, and there is no existing condition, situation or set of circumstances that could reasonably be expected to result in such a Liability, other than:

(a) Liabilities incurred in the ordinary course of business consistent with past practice since December 31, 2013;

(b) Liabilities contemplated by or incurred in connection with the Transaction Agreements or the Transactions; and

(c) Liabilities that, individually or in the aggregate, have not had or would not reasonably be expected to have a Journal Material Adverse Effect.

Section 8.12 *Compliance with Laws and Court Orders*. Except for matters that, individually or in the aggregate, have not had and would not reasonably be expected to have a Journal Material Adverse Effect, each of Journal and its Subsidiaries is, and since January 1, 2012, has been, in compliance with, and to the Knowledge of Journal is not under investigation by any Governmental Authority with respect to and has not been threatened to be charged with or given notice of any violation of, any Applicable Law.

Section 8.13 *Finders' Fees*. Except for Methuselah Advisors (“Methuselah”) (all of whose fees and expenses shall be paid by Journal), there is no investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Journal or any of its Affiliates that might be entitled to any fee or commission from Journal or any of its Affiliates in connection with the Transactions.

Section 8.14 *FCC Transfer Licenses; Primary Journal FCC Licenses*. Section 8.14(a) of the Journal Disclosure Schedule sets forth all the FCC Licenses necessary or useful for the lawful operation of each of the Journal Stations as operated as of the date hereof (the “FCC Transfer Licenses”), all required FCC antenna structure registrations and any pending applications for modification of the FCC Transfer Licenses. All of Journal’s full-power radio and television broadcast licenses are separately identified on Section 8.14(a) of the Journal Disclosure Schedule as the “Primary Journal FCC Licenses”. Except as set forth on Section 8.14(b) of the Journal Disclosure Schedule, (a) the holders of the FCC Transfer Licenses are as set forth on Section 8.14(a) of the Journal Disclosure Schedule, (b) the Primary Journal FCC Licenses are in effect in accordance with their terms and have not been revoked, suspended, canceled, rescinded or terminated and have not expired, (c) there is not pending, or, to the Knowledge of Journal, threatened, any action by or before the FCC to revoke, suspend, cancel, rescind or materially adversely modify any of the Primary Journal FCC Licenses (other than proceedings to amend FCC rules of general applicability), (d) there is not issued or outstanding, by or before the FCC, any order to show cause, notice of violation, notice of apparent liability, or order of forfeiture with respect to the Journal Stations that would reasonably be expected to result in any such action, (e) the Primary Journal FCC Licenses have been issued for the full terms customarily issued by the FCC for full service radio and television stations, (f) the Primary Journal FCC Licenses are not subject to any material condition except for those conditions appearing on the face of the Primary Journal FCC Licenses and conditions generally applicable to full service radio and television stations, (g) Journal and its Subsidiaries are operating the Journal Broadcast Business in compliance in all material respects with all applicable Communications Laws and, with respect to all antennas used in connection with the Journal Broadcast Business, all applicable rules, regulations and requirements of the Federal Aviation Administration, and (h) to the Knowledge of Journal after appropriate inquiry to the FCC, there is no fact or circumstance relating to the operation of the Journal Stations, or to Journal or any of its Affiliates or any of their respective officers, directors, shareholders, members or partners, that might reasonably be expected to result in (i) the FCC refusing to grant the FCC Application or any Journal Station’s Renewal Application; (ii) any challenge to the FCC Application or any Journal Station’s Renewal Application; or (iii) any material delay by the FCC in granting the FCC Application or any Journal Station’s Renewal Application. The FCC Transfer Licenses expire or expired on the dates corresponding thereto as set forth on Section 8.14(a) of the Journal Disclosure Schedule.

Section 8.15 *Retransmission Consent Agreements*. Section 8.15 of the Journal Disclosure Schedule contains a list of all retransmission consent agreements with MVPDs with more than 25,000 subscribers with respect to each Journal Station. Except as set forth on Section 8.15 of the Journal Disclosure Schedule, (a) Journal or one of its Subsidiaries has entered into retransmission consent agreements with respect to each MVPD with more than 25,000 subscribers in any of its DMAs, (b) Journal or one of its Subsidiaries has made a timely election for retransmission consent, pursuant to FCC rules, for the current must-carry/retransmission consent election cycle for each Journal Station with respect to each MVPD with more than 25,000 subscribers in any of its DMAs and (c) to the Knowledge of Journal, there are no market modification proceedings pending at the FCC with respect to any Journal Station. Since January 1, 2013, except as set forth on Section 8.15 of the Journal Disclosure Schedule, neither Journal nor any of its Subsidiaries has received any written notice from any MVPD with more than 25,000 subscribers in any of the Journal Stations’ DMAs of such MVPD’s intention to delete such Journal Station from carriage or to change such Station’s channel position. Since January 1, 2013, except as set forth on Section 8.15 of the Journal Disclosure Schedule, neither Journal nor any of its Subsidiaries has received written notice of a petition seeking FCC modification of any Journal Station’s television market.

Section 8.16 *Taxes*.

(a) All Tax Returns required by Applicable Law to be filed with any Taxing Authority by, or on behalf of, Journal or its Subsidiaries have been filed when due in accordance with all Applicable Law, and all such Tax Returns are true and complete in all material respects.

(b) Each of Journal and its Subsidiaries has paid (or has had paid on its behalf) or has withheld and remitted to the appropriate Taxing Authority all Taxes due and payable, or, where payment is not yet due, has established (or

has had established on its behalf and for its sole benefit and recourse) in accordance with GAAP an adequate accrual for all Taxes through the end of the last period for which it ordinarily records items on its books.

(c) The income Tax Returns of Journal and its Subsidiaries through the Tax year ended December 31, 2009, have been examined and closed, or are Tax Returns with respect to which the applicable period for assessment under Applicable Law, after giving effect to extensions or waivers, has expired.

(d) There is no claim, audit, action, suit, proceeding or investigation now pending or, to the Knowledge of Journal, threatened against or with respect to Journal or any of its Subsidiaries in respect of any Tax or Tax asset.

(e) Neither Journal nor any of its Subsidiaries has, since January 1, 2009, been a member of an affiliated, consolidated, combined or unitary group other than one of which Journal was the common parent.

(f) Section 8.16(f) of the Journal Disclosure Schedule contains a list of all jurisdictions (whether foreign or domestic) in which Journal or any of its Subsidiaries currently files Tax Returns.

Section 8.17 Employee Benefit Plans.

(a) A complete and correct list of each Journal Benefit Plan as of the date hereof is set forth on Section 8.17(a) of the Journal Disclosure Schedule. Journal has made available to Scripps true and correct copies of the following (to the extent applicable): (i) written plan documents and all amendments thereto for each Journal Benefit Plan (or to the extent no such copy exists, or Journal Benefit Plan is not in writing, a written description of the material terms thereof), and (ii) the most recent summary plan description. Except as set forth on Section 8.17(a) of the Journal Disclosure Schedule, none of Journal nor any of its Subsidiaries is the sponsor or plan administrator of any Benefit Plan. Each Journal Benefit Plan that is intended to be a “qualified plan” under Section 401(a) of the Code is so qualified and either has received a favorable determination letter or prototype opinion letter from the IRS and nothing has occurred that could reasonably be expected to adversely affect the qualification of such plan.

(b) Except as set forth on Section 8.17(b) of the Journal Disclosure Schedule, each Journal Benefit Plan has been established and is being operated in compliance in all material respects with its terms and Applicable Law, including ERISA and the Code.

(c) Except as set forth on Section 8.17(c) of the Journal Disclosure Schedule, no Journal Benefit Plan, either individually or collectively, provides for any payment that could result in the payment of any compensation or other payments that would not be deductible under the terms of Section 280G of the Code after giving effect to the Transactions. Except as set forth in Section 8.17(c) of the Journal Disclosure Schedule, the disallowance of a deduction under Section 162(m) of the Code for remuneration will not apply to any amount paid or payable by Journal under any Contract, Benefit Plan, program or arrangement.

(d) Except as set forth on Section 8.17(d) of the Journal Disclosure Schedule, or as contemplated by the Employee Matters Agreement, neither the execution and delivery of this Agreement nor the consummation of the Transactions shall: (i) result in the acceleration of the time of payment or vesting or creation of any rights of any current or former employee, manager or director to compensation or benefits under any Journal Benefit Plan, (ii) result in any payment becoming due (for severance or termination pay or otherwise), or increase the amount of any compensation due, to any current or former employee, manager or director of Journal or any of its Subsidiaries, (iii) increase any benefits otherwise payable under any Journal Benefit Plan, or (iv) result in any liability of Journal or any of its Subsidiaries for any benefits, premiums, or costs associated with any Journal Benefit Plan that is a welfare benefit plan.

(e) Except as set forth on Section 8.17(e) of the Journal Disclosure Schedule, (i) none of Journal nor any of its Subsidiaries, within the last five (5) years, has contributed to, nor ever has been required to contribute to, nor has any liability to, any multiemployer plan, and (ii) no Journal Benefit Plan is (A) subject to Section 412 of the Code or Title IV of ERISA, (B) is a “multiple employer plan” within the meaning of Section 210 of ERISA or Section 413(c) of the Code, (C) is a “multiple employer welfare arrangement” as such term is defined in Section 3(40) of ERISA, or (D) provides group health or death benefits following termination of employment, other than to the extent required by Part 6 of Subtitle B of Title I of ERISA or Section 4980B of the Code or by a comparable state law.

(f) Each Journal Benefit Plan complies in form and operation and has been operated in material compliance with Section 409A of the Code, and none of Journal or any of its Subsidiaries has reported, or is required to report, any violations of Section 409A of the Code.



(g) Except as provided in Section 8.17(g) of the Journal Disclosure Schedule, Journal can unilaterally amend, terminate, or discontinue participation in any Journal Benefit Plan at any time, including, but not limited to, any severance, termination, or retention program.

(h) With respect to each group health plan benefiting any current or former Journal Employee that is subject to Section 4980B of the Code, or was subject to Section 162(k) of the Code, Journal has complied in all material respects with (i) the continuation coverage requirements of Section 4980B of the Code and Section 162(k) of the Code, as applicable, and Part 6 of Subtitle B of Title I of ERISA; (ii) the Health Insurance Portability and Accountability Act of 1996, as amended; and (iii) the Patient Protection and Affordable Care Act of 2010, as amended.

(i) With respect to each group health plan that is subject to Section 1862(b)(1) of the Social Security Act (42 U.S.C. § 1395y(b)), Journal has complied in all material respects with the secondary payer requirements of Section 1862(b)(1) of such Act.

(j) There is no pending or, to the Knowledge of Journal, threatened assessment, complaint, proceeding, or investigation of any kind in any court or Governmental Authority with respect to any Journal Benefit Plan (other than routine claims for benefits), nor is there any basis for one.

(k) All (i) insurance premiums required to be paid with respect to, (ii) benefits, expenses, and other amounts due and payable under, and (iii) contributions, transfers, or payments required to be made to, any Journal Benefit Plan have been paid, made or accrued.

(l) With respect to any insurance policy providing funding for benefits under any Journal Benefit Plan, (i) there is no liability of Journal, in the nature of a retroactive rate adjustment, loss sharing arrangement, or other actual or contingent liability, nor would there be any such liability if such insurance policy was terminated on the date hereof, and (ii) no insurance company issuing any such policy is in receivership, conservatorship, liquidation or similar proceeding and, to the Knowledge of Journal, no such proceedings with respect to any insurer are imminent.

(m) Journal has not agreed or committed to institute any new plan, program, arrangement or agreement for the benefit of employees or former employees of Journal other than the Journal Benefit Plans identified on Section 8.17(m) of the Journal Disclosure Schedule, or to make any amendments to any of the Journal Benefit Plans.

(n) Each individual who is classified by Journal as an independent contractor or contract worker has been properly classified by Journal for the purposes of participation under each Journal Benefit Plan.

Section 8.18 *Environmental Matters*.

(a) No notice, notification, demand, request for information, citation, summons or order has been received, no complaint has been filed, no penalty has been assessed relating to Journal and its Subsidiaries and relating to or arising out of any Environmental Law, in each case excepting matters that have been fully resolved and for which all obligations have been fully completed.

(b) No investigation, action, claim, suit, proceeding or review (or any basis therefor) is pending or, to the Knowledge of Journal, is threatened by any Governmental Authority or other Person relating to Journal or its Subsidiaries and relating to or arising out of any Environmental Law.

(c) Each of Journal and its Subsidiaries is in compliance in all material respects with all Environmental Laws and all Environmental Permits.

(d) There are no Liabilities of Journal and its Subsidiaries of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise arising under or relating to any Environmental Law or any Hazardous Substance, and there is no condition, situation, omission or set of circumstances that could reasonably be expected to result in or be the basis for any such Liability.

(e) There have been no environmental investigations, studies, audits, tests, reviews or other analyses conducted of which Journal has Knowledge in relation to the current or prior business of Journal and its Subsidiaries or any property or facility now or previously owned or leased by Journal and its Subsidiaries that reveal matters that, individually or in the aggregate, have had or could reasonably be expected to have, a Journal Material Adverse Effect.

Section 8.19 *Property Matters.*

(a) Section 8.19(a) of the Journal Disclosure Schedule sets forth a complete and accurate list as of the date hereof of all material real property leased, subleased or licensed by Journal and its Subsidiaries (collectively, the “Journal Leases”), including, with respect to each location, a statement of (i) the location of the premises (the “Journal Leased Premises”), (ii) the landlord, (iii) the date of the Journal Lease, (iv) the dates of any extensions, amendments, supplements and other modifications thereof and (v) the business (Journal Newspaper Business or Journal Broadcast Business) to which each Journal Lease pertains. All Journal Leases are valid, in full force and effect and free and clear of Liens other than Permitted Liens. Neither Journal nor any of its Subsidiaries nor, to the Knowledge of Journal, any other party to any Journal Lease has (i) violated any provisions of, or committed or failed to perform any act that, with or without notice, lapse of time or both, would constitute a default under the provisions of such Journal Lease, (ii) received notice of any of the events in clause (i) above or (iii) received notice of termination, cancellation or non-renewal of any Journal Lease. Journal has made available to Scripps true and complete, in all material respects, copies of all the Journal Leases, all modifications or amendments thereto, waivers thereunder or guarantees or superior leases in connection therewith and all subordination and non-disturbance agreements relating thereto.

(b) Section 8.19(b) of the Journal Disclosure Schedule sets forth a complete and accurate list as of the date hereof of all real property owned by Journal and its Subsidiaries (collectively, the “Journal Owned Properties”) and a statement as to the business (the Journal Newspaper Business or the Journal Broadcast Business) in which each Journal Owned Property is used. The Journal Owned Properties and the Journal Leased Premises constitute all of the real property used or occupied by Journal and its Subsidiaries. Each entity listed on Section 8.19(b) of the Journal Disclosure Schedule as owning a Journal Owned Property has good and marketable fee simple title to such Journal Owned Property, subject to no Liens other than Permitted Liens.

(c) There does not exist any pending condemnation or eminent domain proceeding that affects any Journal Owned Property, or to the Knowledge of Journal, any such proceeding that affects any Journal Leased Premises, or to the Knowledge of Journal, any threatened condemnation or any eminent domain proceeding that affects any Journal Owned Property or Journal Leased Premises, and neither Journal nor any of its Subsidiaries has received any written notice of the intention of any Governmental Authority or other Person to take or use any Journal Owned Property or Journal Leased Premises. No material buildings in connection with the Journal Owned Property are located in a flood plain.

(d) Other than the Journal Leases, any superior leases under which Journal Leases that are subleases are created and Permitted Liens, none of the Journal Owned Property or, to the Knowledge of Journal, the Journal Leased Premises are subject to any Contract granting to any Person other than Journal or its Subsidiaries any right to the use, occupancy or enjoyment of such Journal Owned Property or Journal Leased Premises or any part thereof.

Section 8.20 *Intellectual Property.*

(a) Journal or its Subsidiaries own or otherwise have the right to use all Intellectual Property necessary to conduct its businesses as currently conducted (the “Journal Intellectual Property”). There exist no restrictions on the disclosure, use, license or transfer of the Journal Intellectual Property owned by Journal and its Subsidiaries (the “Owned Journal Intellectual Property”).

(b) The execution and delivery of this Agreement by Journal and the consummation of the Transactions will not encumber, impair or extinguish any Journal Intellectual Property. Section 8.20(b) of the Journal Disclosure Schedule sets forth a complete and accurate list for each of the Journal Newspaper Business and the Journal Broadcast Business separately of all (i) registrations or applications for registration included in the Owned Journal Intellectual Property and (ii) all agreements (excluding licenses for commercial off the shelf computer software that are generally available on nondiscriminatory pricing terms which have an aggregate acquisition cost of \$1,000,000 or less) to which Journal or any of its Subsidiaries is a party or otherwise bound that are material to either the Journal Newspaper Business or the Journal Broadcast Business and pursuant to which Journal or any of its Subsidiaries (A) obtains the right to use any Intellectual Property and/or (B) grants the right to use any Intellectual Property.

(c) To the Knowledge of Journal, the conduct of its businesses as currently conducted does not infringe, violate or constitute a misappropriation of any Intellectual Property of any Third Party in any material respect. Since January 1, 2012, neither Journal nor any of its Subsidiaries has received any written claim or notice alleging any such material infringement, violation or misappropriation and there is no claim, action, suit, investigation or proceeding currently pending against, or, to the Knowledge of Journal, threatened against Journal and its Subsidiaries (i) based upon, or challenging or seeking to deny or restrict, the rights of Journal or its Subsidiaries in any material portion of the Journal Intellectual Property, (ii) alleging that the use of the Journal Intellectual Property or any services provided, processes used or products manufactured, used, imported, offered for sale or sold by Journal or its Subsidiaries do or may conflict with, misappropriate, infringe or

otherwise materially violate any Intellectual Property of any Third Party or (iii) alleging that Journal or any of its Subsidiaries have materially infringed, misappropriated or otherwise violated any Intellectual Property of any Third Party.

(d) None of the Journal Intellectual Property has been adjudged invalid or unenforceable in whole or part, and, to the Knowledge of Journal, all such Journal Intellectual Property is valid and enforceable. To the Knowledge of Journal, no Third Party is infringing, violating or misappropriating any of the Journal Intellectual Property in any material respect.

(e) With respect to each Website, to the Knowledge of Journal, Journal has taken commercially reasonable steps to: (i) maintain what it believes are adequate computer resources to help ensure that no service outages will occur due to insufficient data-storage, memory, server response levels or other related reasons (except outages which are at industry acceptable levels); (ii) protect the confidentiality, integrity and security of such Websites against any unauthorized use, access, interruption, modification or corruption, as the case may be; (iii) obtain consent for its acquisition, storage, transfer and use of personal information as required by Applicable Law; and (iv) put in place policies and procedures to limit the liability of Journal as a host of user-generated content. To the Knowledge of Journal, all material proprietary Intellectual Property produced or otherwise exclusively generated by or for Journal, whether by assignment, work made for hire or otherwise, including any content posted on the Websites and which material Intellectual Property is produced solely by or for the benefit of Journal, is owned exclusively or validly licensed by Journal. Journal has taken reasonable steps to ensure that all Persons (including current and former employees of Journal and any independent contractors) who create or contribute to material proprietary Intellectual Property owned or used by Journal in the conduct of its businesses have assigned to Journal in writing all of their rights therein that did not initially vest with Journal by operation of law.

#### Section 8.21 *Journal Material Contracts.*

(a) Except as set forth on Section 8.21(a) of the Journal Disclosure Schedule, as of the date hereof, neither Journal nor any of its Subsidiaries is a party to or otherwise bound by:

- (i) any “material contract” (as such term is defined in Item 601(b)(10) of Regulation S-K of the SEC);
- (ii) any employment or consulting Contract with any Journal Employee providing for base compensation in excess of \$350,000 in the case of the Journal Newspaper Business or \$350,000 in the case of the Journal Broadcast Business, other than those that are terminable by Journal on no more than thirty (30) days’ notice without liability or financial obligation to Journal;
- (iii) any Contract containing any covenant (A) limiting the right of Journal or any of its Subsidiaries to engage in any line of business or compete with any Person in any line of business or to compete with any party, (B) granting any exclusive rights to make, sell or distribute the products or services of Journal or any of its Subsidiaries or (C) otherwise prohibiting or limiting the right of Journal or any of its Subsidiaries to make, sell or distribute any products or services;
- (iv) any Contract relating to the disposition or acquisition by Journal or any of its Subsidiaries of an amount of assets or of any business (whether by merger, sale of stock, sale of assets or otherwise) with a value in excess of \$500,000 in the case of the Journal Newspaper Business, or \$500,000 in the case of the Journal Broadcast Business or pursuant to which Journal or any of its Subsidiaries has any ownership interest with a value in excess of \$500,000 in the case of the Journal Newspaper Business, or \$500,000 in the case of the Journal Broadcast Business in any other Person other than any Subsidiaries;
- (v) any Contract to license any Third Party to manufacture or reproduce any of Journal’s or any of its Subsidiaries’ products, services or technology or any Contract to sell or distribute any of Journal’s or any of its Subsidiaries’ products, services or technology, except agreements entered into in the ordinary course of business consistent with past practice;
- (vi) any mortgages, indentures, guarantees, loans or credit agreements, security agreements or other Contracts relating to the borrowing of money or extension of credit, in each case other than accounts receivables and payables in the ordinary course of business consistent with past practice;
- (vii) any Contract under which Journal or any of its Subsidiaries has licensed its Intellectual Property to a Third Party, other than in the ordinary course of business consistent with past practice;

(viii) any Contract under which Journal or any of its Subsidiaries has received a license to any Intellectual Property owned by a Third Party that either has required or is anticipated to require payment by any Person in excess of \$1,000,000 in the case of the Journal Newspaper Business, or \$1,000,000 in the case of the Journal Broadcast Business, in the aggregate;

(ix) any Contract providing for the purchase by Journal or any of its Subsidiaries of materials, supplies, goods, services, equipment or other assets that provides for either (A) annual payments by Journal or any of its Subsidiaries of \$1,000,000, in the case of the Journal Newspaper Business, or \$1,000,000 in the case of the Journal Broadcast Business, or more, or (B) aggregate payments by Journal or any of its Subsidiaries of \$2,500,000 in the case of the Journal Newspaper Business, or \$2,500,000 in the case of the Journal Broadcast Business, or more;

(x) any Contract relating to the leasing of personal property by Journal or any of its Subsidiaries providing for annual rentals of \$500,000 in the case of the Journal Newspaper Business, or \$500,000 in the case of the Journal Broadcast Business or more;

(xi) any Contract relating to a partnership, joint venture or other similar arrangement;

(xii) any Contract relating to retransmission consent or network affiliation;

(xiii) any collective bargaining Contract;

(xiv) any Contract relating to the leasing of digital subchannels;

(xv) any Contract relating to (A) the syndication, ownership or licensing of programing, film or other content not covered by subclauses (vii) or (viii), above, or (B) the sale of advertising time, in each case other than in the ordinary course of business consistent with past practice;

(xvi) any Contract relating to agency, dealer, sales representative, marketing or similar arrangements providing for annual payments of \$1,000,000 in the case of the Journal Newspaper Business, or \$1,000,000 in the case of the Journal Broadcast Business or more; or

(xvii) any other Contract not listed above that is material to its business as currently conducted.

(b) The Contracts disclosed or required to be disclosed on Section 8.21(a) of the Journal Disclosure Schedule are referred to herein as the “Journal Material Contracts”. A true and complete copy of each Journal Material Contract (including any modifications and amendments thereto or waivers thereunder) has been made available to Scripps. Section 8.21(a) of the Journal Disclosure Schedule identifies each Journal Material Contract applicable to the Journal Newspaper Business or the Journal Broadcast Business.

(c) All Journal Material Contracts are valid and in full force and effect. Since January 1, 2014, neither Journal nor any of its Subsidiaries, and, to the Knowledge of Journal, no Third Party to any such Journal Material Contract, has (i) violated any provision of, or committed or failed to perform any act that, with or without notice, lapse of time or both, would constitute a material default under the provisions of any Journal Material Contract, (ii) received notice of any of the events set forth in clause (i) above or (iii) received notice of termination, cancellation or non-renewal of any Journal Material Contract.

Section 8.22 *Labor Matters.*

(a) Section 8.22(a) of the Journal Disclosure Schedule sets forth a complete and correct list, dated as of a date no earlier than five (5) days prior to the date hereof, of all current Journal Employees, including each current Journal Employee’s name, date of hire, current rate of base compensation, department and title. As used herein, “Journal Employee” (the “Journal Employee”) means each natural person (i) who is employed by Journal or any of its Subsidiaries, as of a date no earlier than five (5) days prior to the date hereof or (ii) who becomes employed by Journal or any of its Subsidiaries following such date and, in each case, is employed by Journal or any of its Subsidiaries immediately prior to the Closing Date.

(b) Except as set forth on Section 8.22(b) of the Journal Disclosure Schedule, as of the date hereof, to the Knowledge of Journal (i) there is not pending or threatened in any manner against Journal or any of its Subsidiaries any labor dispute, strike, slowdown, picketing or work stoppage by a group of Journal Employees, (ii) there is no organizational effort, campaign, petition or other unionization activities currently being made, or threatened in any manner, by or on behalf of any labor union with respect to any Journal Employees, including those who are not already represented by a labor union and (iii) Journal and all of its Subsidiaries are in compliance in all material respects with all applicable labor and employment laws in connection with the employment of the Journal Employees, including those laws relating to employment practices,

immigration, workers' compensation, worker safety, wages and hours, employee classification, the payment of social security and similar taxes, discrimination, collective bargaining and plant closing or layoff under the WARN. Neither Journal nor any of its Subsidiaries has experienced any strike, slowdown, picketing, work stoppage or other similar material labor difficulty within the twelve (12) months preceding the date hereof.

(c) Except as set forth on Section 8.22(c) of the Journal Disclosure Schedule, as of the date hereof, neither of Journal nor any of its Subsidiaries is a signatory or a party to, or otherwise bound by, any collective bargaining agreement which covers any Journal Employees or former Journal Employees, or has agreed to recognize any union or other collective bargaining unit with respect to any Journal Employees. With respect to any item listed on Section 8.22(c) of the Journal Disclosure Schedule, to the Knowledge of Journal, neither of Journal nor any of its Subsidiaries (i) has been notified in any manner of any claim or grievance under any collective bargaining agreement, (ii) has pending or threatened in any manner against it any charge or unfair labor practice complaint before any applicable Governmental Authority, (iii) has pending or threatened in any manner against it any demand for or notification of an arbitration proceeding arising out of or under any collective bargaining agreement, or (iv) is in or alleged to be in violation of any collective bargaining agreement to which it is a party.

Section 8.23 *Insurance*. Journal has furnished to Scripps a list of, and true and complete copies of, all insurance policies relating to its businesses and its officers and employees. There is no claim by Journal or any of its Subsidiaries pending under any of such policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies or in respect of which such underwriters have reserved their rights. All premiums payable under all such policies have been timely paid and Journal and its Subsidiaries have otherwise complied in all material respects with the terms and conditions of all such policies. Such policies of insurance are in full force and effect. Journal does not know of any threatened termination of, premium increase with respect to, or alteration of coverage under, any of such policies.

Section 8.24 *Intercompany Transactions*. Except as otherwise provided in this Agreement, since January 1, 2012, there has not been any transaction between Journal and its Subsidiaries (other than the Journal Newspaper Entities), on the one hand, and the Journal Newspaper Entities, on the other hand, other than in the ordinary course of business consistent with past practice.

Section 8.25 *Sufficiency of Transferred Assets*. Subject to Section 3.04, as of the Newspaper Merger Effective Time, no Journal Newspaper Assets will be owned or held by Journal or any of the Journal Broadcast Entities. As of the Newspaper Merger Effective Time, assuming the consummation of the transactions contemplated by Articles 2 and 3 and the availability of any assets and services contemplated to be made available to Newco and its Subsidiaries (including the Journal Newspaper Entities) pursuant to the terms of the Transaction Agreements, the Journal Newspaper Assets will be sufficient to conduct the Journal Newspaper Business as currently conducted.

Section 8.26 *Tax Treatment*. Neither Journal nor any of its Affiliates has taken or agreed to take any action, and Journal has no Knowledge of any fact or circumstance, that would (a) prevent the Journal Newspaper Contribution and the Journal Newspaper Distribution from qualifying as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code; (b) prevent the Journal Newspaper Distribution from qualifying as a transaction described in Section 355(a) of the Code; (c) prevent the Newspaper Mergers from qualifying as exchanges described in Section 351 of the Code and/or reorganizations described in Sections 368(a)(1)(B) and/or 368(a)(2)(E) of the Code; and (d) prevent the Broadcast Merger from qualifying as a reorganization described in Section 368(a) of the Code.

Section 8.27 *Opinion of Financial Advisor*. The Board of Directors of Journal has received the opinion of Methuselah to the effect that, as of the date of such opinion and based upon and subject to the assumptions, qualifications and limitations set forth therein, the Journal Newspaper Exchange Ratio and the Broadcast Exchange Ratio provided for in the Mergers, viewed as a single integrated transaction, are fair, from a financial point of view, to the holders of Journal Common Stock collectively as a group.

Section 8.28 *No Additional Representations*. Except for the representations and warranties made by Journal in this Article 8, neither Journal nor any other Person makes any express or implied representation or warranty with respect to Journal or its Subsidiaries or their respective businesses, operations, assets, liabilities, conditions (financial or otherwise) or prospects in connection with this Agreement or the Transactions, and Journal hereby disclaims any such other representations or warranties. In particular, without limiting the foregoing disclaimer, neither Journal nor any other Person makes or has made any representation or warranty to any of the other parties or any of their Affiliates or Representatives with respect to (a) any financial projection, forecast, estimate, budget or prospect information relating to Journal, any of its Subsidiaries or their respective businesses, or (b) any oral or, except for the representations and warranties made by Journal in this Article 8, written information presented to any of the other parties or any of their Affiliates or Representatives in the course of their due diligence investigation of Journal, the negotiation of this Agreement or in the course of the Transactions.

ARTICLE 9  
COVENANTS OF SCRIPPS

Section 9.01 *Conduct of Scripps*. Except as set forth on Section 9.01 of the Scripps Disclosure Schedule or as expressly contemplated by the Transaction Agreements, as required by Applicable Law or as consented to in writing by Journal (such consent not to be unreasonably withheld, conditioned or delayed) from the date hereof until the Broadcast Merger Effective Time, Scripps shall, and shall cause each of its Subsidiaries to, conduct its business in the ordinary course consistent with past practice and use its commercially reasonable efforts to (a) preserve intact its present business organization, (b) maintain in effect all of its foreign, federal, state and local licenses, permits, consents, franchises, approvals and authorizations, (c) keep available the services of its directors, officers and key employees, subject to limitations on Scripps's ability to increase their benefits and compensation under this Agreement, (d) maintain existing relationships with its customers, lenders, suppliers and others having material business relationships with it and (e) manage its working capital (including the timing of collection of accounts receivable and of the payment of accounts payable and the management of inventory) in the ordinary course of business consistent with past practice. Without limiting the generality of the foregoing, prior to the Broadcast Merger Effective Time, except as set forth on Section 9.01 of the Scripps Disclosure Schedule or as expressly contemplated by the Transaction Agreements, without the prior written consent of Journal (such consent not to be unreasonably withheld, conditioned or delayed), Scripps shall not, nor shall it permit any Subsidiary to:

(i) amend its Organizational Documents (whether by merger, consolidation or otherwise); provided, however, that Scripps shall be permitted to, and shall permit any Subsidiary to, make any such amendment insofar as such amendment would not materially impair, impede or delay the Transactions;

(ii) split, combine or reclassify any shares of its capital stock or declare, set aside or pay any dividend (except for the Pre-Broadcast Merger Dividend) or other distribution (whether in cash, stock or property or any combination thereof) in respect of its capital stock, or redeem, repurchase or otherwise acquire, or offer to redeem, repurchase, or otherwise acquire, any Scripps Securities, except for cash dividends paid to Scripps or its Subsidiaries; provided, however, that Scripps and its Subsidiaries shall be permitted to effect any such split, combination, reclassification, declaration, set aside, or payment, so long as it would not materially impair, impede or delay the Transactions;

(iii) (A) issue, deliver or sell, or authorize the issuance, delivery or sale of, or amend any term of (whether by merger, consolidation or otherwise), any Scripps Securities, except pursuant to the exercise, vesting or conversion of any Scripps Securities outstanding on the date hereof, or (B) issue any Scripps Security that would vest or become exercisable or convertible prior to the Broadcast Merger Effective Time;

(iv) incur any material capital expenditures or any material obligations or liabilities in respect thereof, except for any such incurrence in the ordinary course of business consistent with past practice;

(v) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, any assets, securities, properties, interests or businesses, other than in the ordinary course of business consistent with past practice and that would not delay or impair the Transactions, or enter into any other transaction that would delay or impair the Transactions;

(vi) sell, lease or otherwise transfer, or create or incur any Lien (other than Permitted Liens) on, any of its or its Subsidiaries' assets, securities, properties, interests or businesses, other than any such sales, leases or transfers (including sales of inventory or products), and any such creation or incurrence, made in the ordinary course of business consistent with past practice and except for dispositions of obsolete or worn-out assets that are no longer used or useful in the operation or conduct of the Scripps Newspaper Business or the Scripps Broadcast Business;

(vii) other than in connection with actions permitted by Section 9.01(iv) or Section 9.01(v), make any loans, advances or capital contributions (other than those contemplated by Article 2) to, or investments in, any other Person, other than in the ordinary course of business consistent with past practice;

(viii) create, incur, assume, or otherwise be liable with respect to any indebtedness for borrowed money or guarantees thereof having an aggregate principal amount (together with all other indebtedness for borrowed money) outstanding at any time greater than as permitted under the Scripps Credit Agreement, except for intercompany indebtedness, which will be settled in accordance with Section 9.03;

(ix) enter into any Contract that limits or otherwise restricts in any material respect Scripps or any of its Subsidiaries, or any successor thereto, or that could, after the Newspaper Merger Effective Time, limit or restrict in

any material respect Newco or any of its Subsidiaries, from engaging or competing in any line of business, in any location or with any Person;

(x) other than in the ordinary course of business consistent with past practice, enter into, amend or modify in any adverse respect or terminate or permit non-renewal of any Scripps Material Contract (or any Contract entered into after the date hereof that would have been a Scripps Material Contract if such Contract had been entered into prior to the date hereof) or otherwise waive, release or assign any material rights, claims or benefits of Scripps or any of its Subsidiaries;

(xi) (A) grant or increase any severance or termination pay to (or amend any existing arrangement with) any employee, (B) increase benefits payable under any existing severance or termination pay policies or employment agreements of or applicable to any employee, (C) enter into any employment, deferred compensation, retention, change in control, tax gross-up, special bonus, stay bonus or other similar agreement (or amend any such existing agreement) with any employee, (D) establish, adopt or amend (except as required by Applicable Law) any collective bargaining, bonus, profit-sharing, thrift, pension, retirement, deferred compensation, compensation, stock option, restricted stock or other benefit plan or arrangement covering any employee or (E) increase compensation, bonus or other benefits payable to any employee, other than, in the case of this clause (E), increases in the ordinary course of business consistent with past practice; provided that in no event shall the aggregate amount of any such increases be more than five percent (5%) of the aggregate total of such compensation, bonus or other benefits paid to all employees immediately prior to the date hereof;

(xii) change in any material respect its methods of accounting, except as required by changes in GAAP, Applicable Law or the Public Company Accounting Oversight Board, as agreed to by its independent public accountants;

(xiii) settle, or offer or propose to settle, (A) any litigation, investigation, arbitration, proceeding or other claim involving or against it or its Subsidiaries, except in each case as would not have a Scripps Material Adverse Effect or (B) any litigation, arbitration, proceeding or dispute that relates to the Transactions;

(xiv) make or change any material Tax election, change any annual tax accounting period, adopt or change any method of tax accounting, amend any material Tax Returns or file claims for material Tax refunds, enter into any material closing agreement, settle any material Tax claim, audit or assessment, or surrender any right to claim a material Tax refund, offset or other reduction in Tax liability;

(xv) take any action (except as permitted under clauses (i) through (xiv) of this Section 9.01) that would make any representation or warranty of Scripps hereunder inaccurate in any material respect at, or as of any time before, the Broadcast Merger Effective Time; or

(xvi) agree, resolve or commit to do any of the foregoing.

Notwithstanding anything to the contrary in this Section 9.01, Scripps or any of its Subsidiaries may acquire digital businesses or invest in digital businesses (including businesses in which Scripps or any of its Subsidiaries has invested as of the date hereof), provided that the aggregate of the acquisitions and investments consummated or committed to for the period between the date hereof and the Broadcast Merger Effective Time shall not exceed \$50,000,000.

#### Section 9.02 *No Solicitation; Other Offers*

(a) From the date hereof until the Broadcast Merger Effective Time or, if earlier, until this Agreement is terminated in accordance with Article 13, except as expressly permitted by this Section 9.02, Scripps shall not, nor shall it authorize or permit any of its Subsidiaries or any of its or their respective Representatives to, directly or indirectly, (i) solicit, initiate or take any action to facilitate or encourage the submission of any inquiries regarding, or the making of any proposal or offer that constitutes, or would reasonably be expected to lead to, any Scripps Acquisition Proposal, (ii) enter into or participate in any discussions or negotiations with or otherwise cooperate with, or knowingly assist, participate in, facilitate or encourage any effort by, or furnish any information relating to Scripps or any of its Subsidiaries, or afford access to the business, properties, assets, books or records of Scripps or any of its Subsidiaries to, any Third Party that is seeking to make, or has made, a Scripps Acquisition Proposal or (iii) enter into any agreement, agreement in principle, letter of intent, term sheet, memorandum of understanding or other similar instrument relating to a Scripps Acquisition Proposal (other than a confidentiality agreement referred to in Section 9.02(b)) (each, a "Scripps Acquisition Agreement").

(b) Notwithstanding anything in this Agreement to the contrary, from the date hereof and prior to obtaining the Scripps Shareholder Approval, Scripps and its Board of Directors (the "Scripps Board") and their Representatives shall be permitted:

(i) to engage in discussions and negotiations with, and furnish information to, any Third Party in response to a Scripps Acquisition Proposal by any such Third Party (a "Scripps Bidder") if, and only to the extent that, (A) such Scripps Acquisition Proposal did not result from a breach of the provisions of this Section 9.02 by Scripps or any of its Subsidiaries; (B) the Scripps Board concludes in good faith, based on the information then available and after consultation with a nationally recognized financial advisor and outside legal counsel, that such Scripps Acquisition Proposal constitutes or is reasonably likely to result in a Scripps Superior Proposal; (C) the Scripps Board concludes in good faith, based on the information then available and after consultation with its outside legal counsel, that the failure to do so would be reasonably likely to be inconsistent with its fiduciary duties under Applicable Law; (D) prior to providing any information or data to any such Scripps Bidder or entering into any discussions or negotiations with any such Scripps Bidder, Scripps promptly notifies Journal of (1) its intent to so furnish information or enter into discussions and negotiations with such Scripps Bidder, (2) the name of such Scripps Bidder and (3) a summary of the material terms and conditions of any such Scripps Acquisition Proposal, (E) prior to providing any information or data to any such Scripps Bidder, Scripps receives from such Scripps Bidder an executed confidentiality agreement, the terms of which are no less favorable to Scripps, in any material respect, than those contained in the Confidentiality Agreement, and (F) Scripps promptly provides or makes available to Journal any non-public information concerning Scripps or its Subsidiaries provided or made available to such Scripps Bidder that was not previously provided or made available to Journal;

(ii) without limiting its rights under Article 13, to withdraw, modify, qualify in a manner adverse to Journal, condition or refuse to make the Scripps Board Recommendation (it being understood that the Scripps Board may refrain from taking a position with respect to a Scripps Acquisition Proposal until the close of business of the tenth (10<sup>th</sup>) Business Day following a written request by Journal to the Scripps Board to affirm the Scripps Board Recommendation after the first public announcement of such Scripps Acquisition Proposal without such action being considered an adverse modification) (the "Change in the Scripps Board Recommendation") or approve, endorse, recommend, execute or enter into, any Scripps Acquisition Agreement solely in response to a Scripps Superior Proposal only if (A) such Scripps Superior Proposal did not result from a breach of the provisions of this Section 9.02 by Scripps or any of its Subsidiaries, (B) the Scripps Board concludes in good faith, after consultation with outside legal counsel, that failure to do so would reasonably likely violate its fiduciary obligations under Applicable Law, (C) without limiting Scripps's obligation under Section 9.02(b)(i)(C), the Scripps Board provides written notice to Journal (a "Notice of Scripps Superior Proposal") advising Journal that the Scripps Board has received a Scripps Superior Proposal, specifying the material terms and conditions of such Scripps Superior Proposal and identifying the Person making such Scripps Superior Proposal (and attaching any agreement and all material related documentation providing for such Scripps Superior Proposal) and indicating that the Scripps Board intends to make a Change in the Scripps Board Recommendation, (D) Scripps negotiates, and causes its Representatives to negotiate, in good faith with Journal and its Representatives during the Scripps Response Window, to the extent Journal wishes to negotiate, to enable Journal to make an offer or counteroffer to effect revisions to the terms of this Agreement and the other Transaction Agreements such that it would cause such Scripps Superior Proposal to no longer constitute a Scripps Superior Proposal, (E) if Journal does not, within five (5) Business Days of its receipt of the Notice of Scripps Superior Proposal (the "Scripps Response Window"), make an offer or a counteroffer that the Scripps Board determines, in its good faith judgment (after having received the advice of a financial advisor of nationally recognized reputation) and outside legal counsel to be at least as favorable to the Scripps Shareholders as such Scripps Superior Proposal; it being understood and agreed that, with respect to clauses (C), (D) and (E) of this Section 9.02(b)(ii), any material amendments to such Scripps Superior Proposal, including the financial terms of such Scripps Superior Proposal, shall each require the delivery of a new Notice of Scripps Superior Proposal and the commencement of a new Scripps Response Window; and

(iii) to comply with Rule 14d-9 and Rule 14e-2 promulgated under the Exchange Act with regard to a Scripps Acquisition Proposal or make any disclosure to Scripps's shareholders required by Applicable Law; provided, that the Scripps Board shall not withdraw or modify in a manner adverse to Journal the Scripps Board Recommendation except as permitted under subsection (ii) above. For the avoidance of doubt, a "stop, look and listen" or similar communication of the type contemplated by Rule 14d-9(f) of the Exchange Act, an express rejection of any Scripps Acquisition Proposal or an express reaffirmation of the Scripps Board Recommendation shall not be deemed to be a Change in the Scripps Board Recommendation for purposes of this Agreement.

In addition to the foregoing, Scripps shall not submit to the vote of the Scripps Shareholders any Scripps Acquisition Proposal (including any Scripps Superior Proposal) other than the Transactions prior to the termination of this Agreement in accordance with its terms. Without limiting Section 9.02(a) and Scripps's notice obligations in Section 9.02(b), (1) Scripps will promptly, and in any event within 24 hours, notify Journal in the event that Scripps or any of its Subsidiaries or its or their respective Representatives receives any Scripps Acquisition Proposal or any information related thereto, which notification shall include a summary of the material terms and conditions of the Scripps Acquisition Proposal and identify the Third Party making the same, and (2) Scripps shall keep Journal reasonably informed of any material developments with respect to any such Scripps Acquisition Proposal and any discussions and negotiations with respect to a Scripps Superior Proposal permitted pursuant to



Section 9.02(b)(i). Scripps shall not, and shall cause its Subsidiaries not to, enter into any confidentiality or similar agreement with any Person that prohibits Scripps from providing to Journal any of the information required to be provided to Journal under this Section 9.02(b) within the time periods contemplated hereby.

(c) Scripps shall, and shall cause its Subsidiaries and its and their respective Representatives to, immediately cease and cause to be terminated any and all existing activities, discussions or negotiations, if any, with any Third Party conducted prior to the date hereof with respect to any Scripps Acquisition Proposal, or any inquiry or proposal that may reasonably be expected to lead to a Scripps Acquisition Proposal, and shall use all commercially reasonable efforts to cause any such Third Party (or its agents or advisors) in possession of confidential information regarding Scripps or its Subsidiaries that was furnished by or on behalf of Scripps in connection with such activities, discussions or negotiations to promptly return or destroy all such information. Without limiting this Section 9.02, it is agreed that any violation of the restrictions set forth in this Section 9.02 by any Representative of Scripps or any of its Subsidiaries shall constitute a breach of this Section 9.02 by Scripps.

Section 9.03 *Intercompany Accounts*. Except as set forth on Section 9.03 of the Scripps Disclosure Schedule, or as provided in the Employee Matters Agreement or the Tax Matters Agreements, all intercompany accounts between Scripps or its Subsidiaries (other than the Scripps Newspaper Entities), on the one hand, and the Scripps Newspaper Entities, on the other hand, as of the Newspaper Merger Effective Time shall be cancelled at the Newspaper Merger Effective Time.

Section 9.04 *Newco Financing*. Scripps shall use commercially reasonable efforts to cause Newco to obtain the Newco Financing, including using commercially reasonable efforts to (a) negotiate definitive agreements with respect thereto and (b) satisfy all conditions to borrowing (to the extent in the control of Scripps or its Subsidiaries) included in such definitive agreements.

Section 9.05 *Scripps Carve-Out Financial Statements*. As soon as practicable, but in no event later than November 30, 2014, Scripps shall deliver to Journal the audited balance sheets as of December 31, 2013, 2012 and 2011, and the related audited statements of income and cash flows for each of the years then ended for the Scripps Newspaper Business and, if required by the SEC to be included in the Registration Statements, the Scripps Broadcast Business. Scripps shall also prepare and deliver to Journal all interim unaudited financial statements that the parties hereto and their advisors deem necessary or advisable to include or that the applicable securities laws and regulations require to be included in the Registration Statements. All financial statements referenced in this Section 9.05 shall comply with the applicable rules and standards of Regulation S-X required for the inclusion of such financial statements in the Registration Statements.

Section 9.06 *Scripps Refinancing*. Scripps shall use commercially reasonable efforts to amend, or secure credit facilities to replace, the Scripps Credit Agreement (the "Scripps Refinancing").

Section 9.07 *Scripps Family Meeting*. Scripps shall, in accordance with the Scripps Family Agreement, duly call and give notice of, convene and hold no later than thirty-five (35) days following the date on which such notice is given, a meeting of Scripps Shareholders who are signatories to the Scripps Family Agreement (the "Scripps Family Meeting") for the purpose of seeking the Scripps Shareholder Approval. Subject to the right of the Board of Directors of Scripps to make a Change in the Scripps Board Recommendation in compliance with Section 9.02(c), Scripps, through its Board of Directors, shall recommend to the signatories to the Scripps Family Agreement that they give the Scripps Shareholder Approval (the "Scripps Board Recommendation") and Scripps shall take all lawful action to solicit and obtain the Scripps Shareholder Approval at the Scripps Family Meeting. A copy of this Agreement or a summary thereof shall be sent to the Scripps Shareholders who are signatories to the Scripps Family Agreement with the notice of the Scripps Family Meeting. If Scripps is unable to obtain a quorum of the Scripps Shareholders who are signatories to the Scripps Family Agreement at the Scripps Family Meeting, it shall use reasonable best efforts to cause such meeting to be adjourned or postponed in order to obtain such quorum. Scripps shall cooperate with Journal in good faith to coordinate the timing of the Scripps Family Meeting such that it occurs on the same day that the Journal Shareholders' Meeting occurs. Subject to Scripps' or Journal's right to terminate this Agreement under Article 13, Scripps agrees that it has an unqualified obligation to submit this Agreement to the Scripps Shareholders who are signatories to the Scripps Family Agreement at the Scripps Family Meeting.

Section 9.08 *Scripps Shareholders' Meeting*. Scripps shall, in accordance with its Organizational Documents and Applicable Law, following the conclusion of the Scripps Family Meeting, establish a Record Date for, duly call and give notice of, and convene and hold no later than thirty-five (35) days following the date on which such notice is given, a meeting of the Scripps Shareholders (the "Scripps Shareholders' Meeting") for the purpose of seeking the Scripps Shareholder Approval. Subject to the right of the Board of Directors of Scripps to make a Change in the Scripps Board Recommendation in compliance with Section 9.02(c), Scripps shall include in the proxy statement for the Scripps Shareholders' Meeting the Scripps Board Recommendation and shall take all lawful action to solicit and obtain the Scripps Shareholder Approval. A copy of this Agreement or a summary thereof shall be sent to the Scripps Shareholders with the notice of the Scripps Shareholders' Meeting. If Scripps is unable to obtain a quorum of the Scripps Shareholders entitled to vote at the Scripps Shareholders'

Meeting, it shall adjourn or postpone the Scripps Shareholders' Meeting if necessary in order to obtain such a quorum. Subject to Scripps' or Journal's right to terminate this Agreement under Article 13, Scripps agrees that it has an unqualified obligation to submit this Agreement and the Transactions that require the Scripps Shareholder Approval to holders of the Scripps Common Voting Shares at the Scripps Shareholders' Meeting.

Section 9.09 *Shareholder Litigation*. Scripps will (a) promptly advise Journal in writing of any Action threatened, commenced or asserted against (i) it or any of its directors, officers or Affiliates or (ii) any Scripps Shareholder of which Scripps has Knowledge, in each case relating to this Agreement, the Mergers, or any of the other Transactions, and (b) give Journal the opportunity to reasonably participate in the defense or settlement of any such Action. No compromise or full or partial settlement of any such Action will be agreed upon without Journal's prior written consent, which will not be unreasonably withheld, conditioned or delayed.

Section 9.10 *GCIU—Employers Retirement Fund*. Scripps will use commercially reasonable efforts to withdraw, on behalf of itself and all of its Subsidiaries, from the GCIU Employers Retirement Fund in a complete withdrawal prior to the Scripps Newspaper Distribution. Scripps will also use commercially reasonable efforts to negotiate a lump sum settlement of its withdrawal liability to the GCIU Employers Retirement Fund equal to (or less than) the present value of its monthly payments to the fund and obtain a release of all liability (including liability assessments of additional withdrawal liability in the event of a mass withdrawal, including any subsequent reallocation or redetermination of withdrawal liability) to the fund. Newco will defend and indemnify Scripps from and against any future withdrawal liability assessments of additional withdrawal liability as a result of a mass withdrawal from the fund, including any subsequent reallocation or redetermination of withdrawal liability. In the event that withdrawal is not accomplished prior to the Scripps Newspaper Distribution, Newco will cooperate with Scripps in completing the withdrawal and Scripps shall remain responsible for payment of the withdrawal liability.

Section 9.11 *Scripps Shareholder Vote*. If Scripps or the Board of Directors of Scripps has taken any of the actions described in Section 13.01(e)(i)-(iii) after the First Date (a "Scripps Board Action"), then Journal may, on or prior to 11:59 p.m., Central Time, on the fifth (5<sup>th</sup>) day following the occurrence of a Scripps Board Action (the "Journal Second Date"), deliver to Scripps a written notice explicitly (a) directing Scripps to submit this Agreement and the Transactions to the Scripps Shareholders at the Scripps Family Meeting and (b) waiving any rights that Journal may have to any payment by Scripps under Section 13.03 of this Agreement other than pursuant to Section 13.03(j). If Journal has not delivered the foregoing notice to Scripps by 11:59 p.m., Central Time, on the Journal Second Date, then Journal shall be deemed to have terminated this Agreement pursuant to Section 13.01(e)(i)-(iii) and be entitled only to the payment by Scripps under Section 13.03(e). Scripps shall comply with any direction delivered to it in accordance with this Section 9.11.

## ARTICLE 10 COVENANTS OF JOURNAL

Section 10.01 *Conduct of Journal*. Except as set forth on Section 10.01 of the Journal Disclosure Schedule or as expressly contemplated by the Transaction Agreements, as required by Applicable Law or as consented to in writing by Scripps (such consent not to be unreasonably withheld, conditioned or delayed) from the date hereof until the Broadcast Merger Effective Time, Journal shall, and shall cause each of its Subsidiaries to, conduct its business in the ordinary course consistent with past practice and use its commercially reasonable efforts to (a) preserve intact its present business organization, (b) maintain in effect all of its foreign, federal, state and local licenses, permits, consents, franchises, approvals and authorizations, (c) keep available the services of its directors, officers and key employees, subject to limitations on Journal's ability to increase their benefits and compensation under this Agreement, (d) maintain existing relationships with its customers, lenders, suppliers and others having material business relationships with it and (e) manage its working capital (including the timing of collection of accounts receivable and of the payment of accounts payable and the management of inventory) in the ordinary course of business consistent with past practice. Without limiting the generality of the foregoing, prior to the Broadcast Merger Effective Time, except as set forth on Section 10.01 of the Journal Disclosure Schedule or as expressly contemplated by the Transaction Agreements, without the prior written consent of Scripps (such consent not to be unreasonably withheld, conditioned or delayed), Journal shall not, nor shall it permit any Subsidiary to:

(i) amend its Organizational Documents (whether by merger, consolidation or otherwise); provided, however, that Journal shall be permitted to, and shall permit any Subsidiary to, make any such amendment insofar as such amendment would not materially impair, impede or delay the Transactions;

(ii) split, combine or reclassify any shares of its capital stock or declare, set aside or pay any dividend or other distribution (whether in cash, stock or property or any combination thereof) in respect of its capital stock, or redeem, repurchase or otherwise acquire, or offer to redeem, repurchase, or otherwise acquire, any Journal Securities, except for cash dividends paid to Journal or its Subsidiaries; provided, however, that Journal and its Subsidiaries shall be permitted to

effect any such split, combination, reclassification, declaration, set aside, or payment, so long as it would not materially impair, impede or delay the Transactions;

(iii) (A) issue, deliver or sell, or authorize the issuance, delivery or sale of, or amend any term of (whether by merger, consolidation or otherwise), any Journal Securities, except pursuant to the exercise, vesting or conversion of any Journal Securities outstanding on the date hereof, or (B) issue any Journal Security that would vest or become exercisable or convertible prior to the Broadcast Merger Effective Time;

(iv) incur any material capital expenditures or any material obligations or liabilities in respect thereof, except for any such incurrence in the ordinary course of business consistent with past practice;

(v) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, any assets, securities, properties, interests or businesses, other than in ordinary course of business consistent with past practice and that would not delay or impair the Transactions, or enter into any other transaction that would delay or impair the Transactions;

(vi) sell, lease or otherwise transfer, or create or incur any Lien (other than Permitted Liens) on, any of its or its Subsidiaries' assets, securities, properties, interests or businesses, other than any such sales, leases or transfers (including sales of inventory or products), and any such creation or incurrence, made in the ordinary course of business consistent with past practice and except for dispositions of obsolete or worn-out assets that are no longer used or useful in the operation or conduct of the Journal Newspaper Business or the Journal Broadcast Business;

(vii) other than in connection with actions permitted by Section 10.01(iv) or Section 10.01(v), make any loans, advances or capital contributions (other than the contributions contemplated by Article 3) to, or investments in, any other Person, other than in the ordinary course of business consistent with past practice;

(viii) create, incur, assume, or otherwise be liable with respect to any indebtedness for borrowed money or guarantees thereof having an aggregate principal amount (together with all other indebtedness for borrowed money) outstanding at any time greater than as permitted under the Journal Credit Agreement, except for intercompany indebtedness which will be settled in accordance with Section 10.03;

(ix) enter into any Contract that limits or otherwise restricts in any material respect Journal or any of its Subsidiaries or any successor thereto, or that could, after the Newspaper Merger Effective Time, limit or restrict in any material respect Newco or any of its Subsidiaries, from engaging or competing in any line of business, in any location or with any Person;

(x) other than in the ordinary course of business consistent with past practice, enter into, amend or modify in any adverse respect or terminate or permit non-renewal of any Journal Material Contract (or any Contract entered into after the date hereof that would have been a Journal Material Contract if such Contract had been entered into prior to the date hereof) or otherwise waive, release or assign any material rights, claims or benefits of Journal or any of its Subsidiaries;

(xi) (A) grant or increase any severance or termination pay to (or amend any existing arrangement with) any employee, (B) increase benefits payable under any existing severance or termination pay policies or employment agreements of or applicable to any employee, (C) enter into any employment, deferred compensation, retention, change in control, tax gross-up, special bonus, stay bonus or other similar agreement (or amend any such existing agreement) with any employee, (D) establish, adopt or amend (except as required by Applicable Law) any collective bargaining, bonus, profit-sharing, thrift, pension, retirement, deferred compensation, compensation, stock option, restricted stock or other benefit plan or arrangement covering any employee or (E) increase compensation, bonus or other benefits payable to any employee, other than, in the case of this clause (E), increases in the ordinary course of business consistent with past practice; provided that in no event shall the aggregate amount of any such increases be more than five percent (5%) of the aggregate total of such compensation, bonus or other benefits paid to all employees immediately prior to the date hereof;

(xii) change in any material respect its methods of accounting, except as required by changes in GAAP, Applicable Law or the Public Company Accounting Oversight Board, as agreed to by its independent public accountants;

(xiii) settle, or offer or propose to settle, (A) any litigation, investigation, arbitration, proceeding or other claim involving or against it or its Subsidiaries, except in each case as would not have a Journal Material Adverse Effect, or (B) any litigation, arbitration, proceeding or dispute that relates to the Transactions;

(xiv) make or change any material Tax election, change any annual tax accounting period, adopt or change any method of tax accounting, amend any material Tax Returns or file claims for material Tax refunds, enter into any material closing agreement, settle any material Tax claim, audit or assessment, or surrender any right to claim a material Tax refund, offset or other reduction in Tax liability;

(xv) take any action (except as permitted under clauses (i) through (xiv) of this Section 10.01) that would make any representation or warranty of Journal hereunder inaccurate in any material respect at, or as of any time before, the Broadcast Merger Effective Time; or

(xvi) agree, resolve or commit to do any of the foregoing.  
Section 10.02 *No Solicitation; Other Offers*

(a) From the date hereof until the Broadcast Merger Effective Time or, if earlier, until this Agreement is terminated in accordance with Article 13, except as expressly permitted by this Section 10.02, Journal shall not, nor shall it authorize or permit any of its Subsidiaries or any of its or their respective Representatives to, directly or indirectly, (i) solicit, initiate or take any action to facilitate or encourage the submission of any inquiries regarding, or the making of any proposal or offer that constitutes, or would reasonably be expected to lead to, any Journal Acquisition Proposal, (ii) enter into or participate in any discussions or negotiations with or otherwise cooperate with, or knowingly assist, participate in, facilitate or encourage any effort by, or furnish any information relating to Journal or any of its Subsidiaries, or afford access to the business, properties, assets, books or records of Journal or any of its Subsidiaries to, any Third Party that is seeking to make, or has made, a Journal Acquisition Proposal or (iii) enter into any agreement, agreement in principle, letter of intent, term sheet, memorandum of understanding or other similar instrument relating to a Journal Acquisition Proposal (other than a confidentiality agreement referred to in Section 10.02(b)) (each, a "Journal Acquisition Agreement").

(b) Notwithstanding anything in this Agreement to the contrary, from the date hereof and prior to obtaining the Journal Shareholder Approval, Journal and its Board of Directors (the "Journal Board") and their Representatives shall be permitted:

(i) to engage in discussions and negotiations with, and furnish information to, any Third Party in response to a Journal Acquisition Proposal by any such Third Party (a "Journal Bidder") if, and only to the extent that, (A) such Journal Acquisition Proposal did not result from a breach of the provisions of this Section 10.02 by Journal or any of its Subsidiaries; (B) the Journal Board concludes in good faith, based on the information then available and after consultation with a nationally recognized financial advisor and outside legal counsel, that such Journal Acquisition Proposal constitutes or is reasonably likely to result in a Journal Superior Proposal; (C) the Journal Board concludes in good faith, based on the information then available and after consultation with its outside legal counsel, that the failure to do so would be reasonably likely to be inconsistent with its fiduciary duties under Applicable Law; (D) prior to providing any information or data to any such Journal Bidder or entering into any discussions or negotiations with any such Journal Bidder, Journal promptly notifies Scripps of (1) its intent to so furnish information or enter into discussions and negotiations with such Journal Bidder, (2) the name of such Journal Bidder and (3) a summary of the material terms and conditions of any such Journal Acquisition Proposal, (E) prior to providing any information or data to any such Journal Bidder, Journal receives from such Journal Bidder an executed confidentiality agreement, the terms of which are no less favorable to Journal, in any material respect, than those contained in the Confidentiality Agreement, and (F) Journal promptly provides or makes available to Scripps any non-public information concerning Journal or its Subsidiaries provided or made available to such Journal Bidder that was not previously provided or made available to Scripps;

(ii) without limiting its rights under Article 13, to withdraw, modify, qualify in a manner adverse to Scripps, condition or refuse to make the Journal Board Recommendation (it being understood that the Journal Board may refrain from taking a position with respect to a Journal Acquisition Proposal until the close of business of the tenth (10<sup>th</sup>) Business Day following a written request by Scripps to the Journal Board to affirm the Journal Board Recommendation after the first public announcement of such Journal Acquisition Proposal without such action being considered an adverse modification) (the "Change in the Journal Board Recommendation") or approve, endorse, recommend, execute or enter into, any Journal Acquisition Agreement solely in response to a Journal Superior Proposal only if (A) such Journal Superior Proposal did not result from a breach of the provisions of this Section 10.02 by Journal or any of its Subsidiaries, (B) the Journal Board concludes in good faith, after consultation with outside legal counsel, that failure to do so would reasonably likely violate its fiduciary obligations under Applicable Law, (C) without limiting Journal's obligation under Section 10.02(b)(i)(C), the Journal Board provides written notice to Scripps (a "Notice of Journal Superior Proposal") advising Scripps that the Journal Board has received a Journal Superior Proposal, specifying the material terms and conditions of such Journal Superior Proposal and identifying the Person making such Journal Superior Proposal (and attaching any agreement and all material related documentation providing for such Journal Superior Proposal) and indicating that the Journal Board intends to make a Change

in the Journal Board Recommendation, (D) Journal negotiates, and causes its Representatives to negotiate, in good faith with Scripps and its Representatives during the Journal Response Window, to the extent Scripps wishes to negotiate, to enable Scripps to make an offer or counteroffer to effect revisions to the terms of this Agreement and the other Transaction Agreements such that it would cause such Journal Superior Proposal to no longer constitute a Journal Superior Proposal, (E) if Scripps does not, within five (5) Business Days of its receipt of the Notice of Journal Superior Proposal (the “Journal Response Window”), make an offer or a counteroffer that the Journal Board determines, in its good faith judgment (after having received the advice of a financial advisor of nationally recognized reputation) and outside legal counsel to be at least as favorable to the Journal Shareholders as such Journal Superior Proposal; it being understood and agreed that, with respect to clauses (C), (D) and (E) of this Section 10.02(b)(ii), any material amendments to such Journal Superior Proposal, including the financial terms of such Journal Superior Proposal, shall each require the delivery of a new Notice of Journal Superior Proposal and the commencement of a new Journal Response Window; and

(iii) to comply with Rule 14d-9 and Rule 14e-2 promulgated under the Exchange Act with regard to a Journal Acquisition Proposal or make any disclosure to Journal’s shareholders required by Applicable Law; provided, that the Journal Board shall not withdraw or modify in a manner adverse to Scripps the Journal Board Recommendation except as permitted under subsection (ii) above. For the avoidance of doubt, a “stop, look and listen” or similar communication of the type contemplated by Rule 14d-9(f) of the Exchange Act, an express rejection of any Journal Acquisition Proposal or an express reaffirmation of the Journal Board Recommendation shall not be deemed to be a Change in the Journal Board Recommendation for purposes of this Agreement.

In addition to the foregoing, Journal shall not submit to the vote of the Journal Shareholders any Journal Acquisition Proposal (including any Journal Superior Proposal) other than the Transactions prior to the termination of this Agreement in accordance with its terms. Without limiting Section 10.02(a) and Journal’s notice obligations in Section 10.02(b), (1) Journal will promptly, and in any event within 24 hours, notify Scripps in the event that Journal or any of its Subsidiaries or its or their respective Representatives receives any Journal Acquisition Proposal or any information related thereto, which notification shall include a summary of the material terms and conditions of the Journal Acquisition Proposal and identify the Third Party making the same, and (2) Journal shall keep Scripps reasonably informed of any material developments with respect to any such Journal Acquisition Proposal and any discussions and negotiations with respect to a Journal Superior Proposal permitted pursuant to Section 10.02(b)(i). Journal shall not, and shall cause its Subsidiaries not to, enter into any confidentiality or similar agreement with any Person that prohibits Journal from providing to Scripps any of the information required to be provided to Scripps under this Section 10.02(b) within the time periods contemplated hereby.

(c) Journal shall, and shall cause its Subsidiaries and its and their respective Representatives to, immediately cease and cause to be terminated any and all existing activities, discussions or negotiations, if any, with any Third Party conducted prior to the date hereof with respect to any Journal Acquisition Proposal, or any inquiry or proposal that may reasonably be expected to lead to a Journal Acquisition Proposal, and shall use all commercially reasonable efforts to cause any such Third Party (or its agents or advisors) in possession of confidential information regarding Journal or its Subsidiaries that was furnished by or on behalf of Journal in connection with such activities, discussions or negotiations to promptly return or destroy all such information. Without limiting this Section 10.02, it is agreed that any violation of the restrictions set forth in this Section 10.02 by any Representative of Journal or any of its Subsidiaries shall constitute a breach of this Section 10.02 by Journal.

Section 10.03 *Intercompany Accounts*. Except as set forth on Section 10.03 of the Journal Disclosure Schedule or as provided for in the Tax Matters Agreements, all intercompany accounts between Journal or its Subsidiaries (other than the Journal Newspaper Business), on the one hand, and the Journal Newspaper Entities, on the other hand, as of the Newspaper Merger Effective Time shall be cancelled at the Newspaper Merger Effective Time.

#### Section 10.04 *Newco Financing*.

(a) Journal shall use commercially reasonable efforts to cause Newco to obtain the Newco Financing, including using commercially reasonable efforts to (i) negotiate definitive agreements with respect thereto and (ii) satisfy all conditions to borrowing (to the extent in the control of Journal or its Subsidiaries) included in such definitive agreements.

(b) Journal shall use commercially reasonable efforts to assist Scripps in securing the Scripps Refinancing, including providing any financial or other information reasonably requested by Scripps in connection therewith.

Section 10.05 *Journal Carve-Out Financial Statements*. As soon as practicable, but in no event later than November 30, 2014, Journal shall deliver to Scripps, the audited balance sheet as of December 29, 2013, December 30, 2012 and December 25, 2011, and the related audited statements of income and cash flows for the years then ended for the Journal Newspaper Business and, if required by the SEC to be included in the Registration Statements, the Journal Broadcast Business.

Journal shall also prepare and deliver to Scripps all interim unaudited financial statements that the parties hereto and their advisors deem necessary or advisable to include or that the applicable securities laws and regulations require to be included in the Registration Statements. All such financial statements referenced in this Section 10.05 shall comply with the applicable rules and standards of Regulation S-X required for the inclusion of such financial statements in the Registration Statements.

Section 10.06 *Journal Shareholders' Meeting*. Journal shall, in accordance with its Organizational Documents and Applicable Law, establish a Record Date for, duly call and give notice of, and convene and hold no later than thirty-five (35) days following the date on which such notice is given, a meeting of the Journal Shareholders (the "Journal Shareholders' Meeting") for the purpose of seeking the Journal Shareholder Approval. Subject to the right of the Board of Directors of Journal to make a Change in the Journal Board Recommendation in compliance with Section 10.02(c), Journal shall, through its Board of Directors, recommend to the Journal Shareholders that they give the Journal Shareholder Approval (the "Journal Board Recommendation") and Journal shall include the Journal Board Recommendation in the proxy statement for the Journal Shareholders' Meeting and shall take all lawful action to solicit and obtain the Journal Shareholder Approval. A copy of this Agreement or a summary thereof and the dissenters' notice and attachments thereto required pursuant to Sections 180.1301 through 180.1331 of the WBCL shall be sent to the Journal Shareholders with the notice of the Journal Shareholders' Meeting. If Journal is unable to obtain a quorum of the Journal Shareholders at the Journal Shareholders' Meeting, Journal shall adjourn or postpone the Journal Shareholders' Meeting if necessary in order to obtain such a quorum. Journal shall cooperate with Scripps in good faith to coordinate the timing of the Journal Shareholders' Meeting such that it occurs on the same day that the Scripps Family Meeting occurs. Subject to Journal's or Scripps' right to terminate this Agreement under Article 13, Journal agrees that it has an unqualified obligation to submit this Agreement and the Transactions to the Journal Shareholders at the Journal Shareholders' Meeting.

Section 10.07 *Stockholder Litigation*. Journal will (a) promptly advise Scripps in writing of any Action threatened, commenced or asserted against (i) it or any of its directors, officers or Affiliates or (ii) any Journal Shareholder of which Journal has Knowledge, in each case relating to this Agreement, the Mergers, or any of the other Transactions, and (b) give Scripps the opportunity to reasonably participate in the defense or settlement of any such Action. No compromise or full or partial settlement of any such Action will be agreed upon without Scripps's prior written consent, which will not be unreasonably withheld, conditioned or delayed.

Section 10.08 *Journal Shareholder Vote*. If Journal or the Board of Directors of Journal has taken any of the actions described in Section 13.01(f)(i)-(iii) after the First Date (a "Journal Board Action"), then Scripps may, on or prior to 11:59 p.m., Central Time, on the fifth (5<sup>th</sup>) day following the occurrence of a Journal Board Action (the "Scripps Second Date"), deliver to Journal a written notice explicitly (a) directing Journal to submit this Agreement and the Transactions to the Journal Shareholders at the Journal Shareholder's Meeting and (b) waiving any rights that Scripps may have to any payment by Journal under Section 13.03 of this Agreement other than pursuant to Section 13.03(g). If Scripps has not delivered the foregoing notice to Journal by 11:59 p.m., Central Time, on the Scripps Second Date, then Scripps shall be deemed to have terminated this Agreement pursuant to Section 13.01(f)(i)-(iii) and be entitled only to the payment by Journal under Section 13.03(f). Journal shall comply with any direction delivered to it in accordance with this Section 10.08.

## ARTICLE 11 COVENANTS OF SCRIPPS, JOURNAL AND NEWCO

Section 11.01 *Reasonable Best Efforts; Governmental Approvals and Third-Party Consents Generally*. Subject to the terms and conditions of this Agreement, each of the parties hereto shall use their reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, and to assist and cooperate with the other parties hereto in doing, all things necessary, proper or advisable under this Agreement and Applicable Law to consummate, in the most expeditious manner practicable, the Transactions, including (a) preparing and filing as promptly as practicable with any Governmental Authority or other Third Party all documentation to effect all necessary filings, notices, petitions, statements, registrations, submissions of information, applications and other documents, (b) obtaining and maintaining all Governmental Approvals and Consents that are necessary, proper or advisable to consummate the Transactions, (c) defending against any Actions challenging this Agreement or any other Transaction Agreement or the consummation of the Transactions, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Authority vacated or reversed and (d) executing and delivering any additional instruments necessary to consummate the Transactions and to fully carry out the purposes of the Transaction Agreements; provided that the parties hereto understand and agree that the reasonable best efforts of any party hereto shall not be deemed to include (i) entering into any settlement, undertaking, consent decree, stipulation or agreement with any Governmental Authority in connection with the Transactions except as reasonably required to obtain the FCC Consent or HSR Clearance, (ii) divesting or otherwise holding separate (including by establishing a trust or otherwise), or taking any other action, including an action that would limit freedom of action (or otherwise agreeing to do any of the foregoing) with respect to or ability to retain any of its or Newco's Subsidiaries (as of immediately following the Newspaper Merger Effective Time) or any of their respective Affiliates' businesses, assets or properties except as provided in

Section 8.14 of the Journal Disclosure Schedule or as reasonably required to obtain the FCC Consent or HSR Clearance or (iii) making any monetary or other payment in order to obtain any Consent. Notwithstanding anything to the contrary contained herein, in connection with consummation of the Transactions, no party hereto shall take any action described in clause (i), (ii) or (iii) of the immediately preceding sentence prior to the Closing Date without the prior written consent of the other party, or be required to take such action if the effectiveness of which is not conditioned on the consummation of the Transactions hereunder. Each of the parties hereto shall keep the other parties hereto reasonably informed of its progress in obtaining any Governmental Approvals and Consents to be obtained pursuant to this Section 11.01.

Section 11.02 *HSR Act Filings*. Within fifteen (15) Business Days after the date hereof, the parties hereto shall make or cause to be made any required filings with the Federal Trade Commission (the “FTC”) and the United States Department of Justice (the “DOJ”) pursuant to the HSR Act, with respect to the Transactions (including a request for early termination of the waiting period thereunder), and shall thereafter promptly respond to all requests received from such agencies for additional information or documentation. Expiration or termination of any applicable waiting period under the HSR Act is referred to herein as the “HSR Clearance”. Scripps shall pay one-half (1/2) and Journal shall pay one-half (1/2) of any HSR Act filing fees relating to the Transactions, except that if more than one HSR Act filing is necessary because a party hereto has more than one ultimate parent entity, then such party shall pay the HSR Act filing fees for any additional filings, in each case, irrespective of whether the Transactions are consummated.

Section 11.03 *FCC Filings*

(a) Within fifteen (15) Business Days after the date hereof, the parties hereto shall cause to be filed with the FCC one or more applications (collectively, the “FCC Application”) requesting FCC consent to the transfer of control of the FCC Transfer Licenses from Journal to Scripps. FCC consent to the FCC Application with respect to the FCC Transfer Licenses is referred to herein as the “FCC Consent”. The FCC Application will contain commitments to divest and requests for waivers as set forth in Section 8.14 of the Journal Disclosure Schedule. The parties hereto shall diligently prosecute the FCC Application and otherwise take all actions as may be necessary to obtain the FCC Consent as soon as possible. Scripps shall pay one-half (1/2), and Journal shall pay one-half (1/2), of the FCC filing fees relating to the Transactions, irrespective of whether the Transactions are consummated. Each party hereto shall oppose any petitions to deny or other objections filed with respect to the FCC Application to the extent such petition or objection relates to such party. No party hereto shall take any action that would, or fail to take any action the failure of which to take would, reasonably be expected to have the effect of preventing or materially delaying the receipt of the FCC Consent. Journal shall promptly enter into tolling, assignment and assumption or similar agreements, if necessary, in connection with the FCC Application. If the Closing Date shall not have occurred for any reason within the original effective period of the FCC Consent, and neither party hereto shall have terminated this Agreement pursuant to Article 13, Scripps and Journal shall jointly request extensions of the effective period of the FCC Consent until the Closing Date occurs or this Agreement is otherwise terminated; provided, however, that no such extension of the FCC Consent shall limit the right of either party hereto to exercise such party’s rights under Article 13.

(b) Journal shall prosecute each application for renewal of any Primary Journal FCC License (a “Renewal Application”) that is pending on the date hereof, and shall timely file and prosecute any Renewal Application that is required to be filed by it prior to or on the Closing Date. For each Renewal Application that is pending on the date hereof or that otherwise may become eligible for grant by the FCC prior to the Closing Date, Journal shall, to the extent reasonably necessary to expedite grant by the FCC of that Renewal Application and thereby to facilitate grant of the FCC Application, enter into a tolling, assignment and assumption or similar agreement with the FCC to extend the statute of limitations for the FCC to determine or impose a forfeiture penalty against the relevant Journal Station in connection with (i) any pending complaints that the Journal Station aired programming that contained obscene, indecent or profane material or (ii) any other enforcement matters against the Journal Station with respect to which the FCC may permit Journal to enter into a tolling assignment and assumption or similar agreement. With respect to those Journal Stations for which a Renewal Application is pending or must be filed during the pendency of the FCC Application, to avoid disruption or delay in the processing of the FCC Application, but without limiting Journal’s obligation set out in this Section 11.03(b) to use its reasonable best efforts to pursue the grant of any pending Renewal Application prior to the Closing Date through a tolling or similar agreement with the FCC, Scripps agrees, as part of the FCC Application, to request that the FCC apply its policy permitting the transfer of control of broadcast licenses in transactions involving multiple stations to proceed, notwithstanding the pendency of one or more Renewal Applications (the “FCC Renewal Policy”). Scripps shall make such representations and agree to such undertakings as are required to be made to invoke the FCC Renewal Policy, including undertakings to assume, as between the parties hereto and the FCC, the position of the applicant before the FCC with respect to any pending Renewal Application and to assume the corresponding regulatory risks relating to any such Renewal Application.

(c) Notwithstanding anything in this Agreement to the contrary, Scripps and Journal each agree to use their respective reasonable best efforts to take promptly any and all steps necessary to eliminate each and every impediment and obtain all consents under any antitrust or competition law, rule or regulation (including the HSR Act), or any communications or broadcast law, rule or regulation (including the Communications Act and the rules, regulations and written

decisions and policies of the FCC promulgated pursuant thereto), that may be required by the FCC, the FTC, the DOJ, any state Attorney General or any other U.S. federal, state or local governmental authority, or any applicable non-U.S. antitrust or competition Governmental Authority, in each case having competent jurisdiction, so as to enable the parties hereto to close the Transactions as promptly as practicable, including committing to or effecting, by consent decree, pocket consent decree, hold separate orders, trust or otherwise, divestitures or limitations on freedom of action as are required in order to obtain the FCC Consent or the HSR Clearance and to avoid the entry of (or to effect the dissolution of or vacate or lift) any order that would otherwise have the effect of preventing or materially delaying the consummation of the Transactions. Notwithstanding anything to the contrary in this Section 11.03(c), if any of the consents or approvals (or elimination of impediments) contemplated by the preceding sentence have not been obtained (or eliminated), in each case as of the date that is six (6) months following the date hereof, and if Scripps or Journal, after consultation with Journal or Scripps, as the case may be, determines, or, if at any time after the date hereof, the FCC, the FTC, the DOJ, any state Attorney General or any other U.S. federal, state or local governmental authority, or any applicable non-U.S. antitrust or competition Governmental Authority, has indicated, that a divestiture or other relief is required to obtain the FCC Consent (other than the divestitures set forth at Section 8.14 of the Journal Disclosure Schedule) or the HSR Clearance, or otherwise to remove any impediment or to obtain any required consents under any antitrust or competition law, rule or regulation or under the Communications Laws in connection with the consummation of the Transactions, then Scripps or Journal, as the case may be, shall have the right to provide written notice of such determination or indication to Journal or Scripps, as the case may be (a “Divestiture Notice”). Upon receipt of a Divestiture Notice, Journal or Scripps, as the case may be, shall promptly (and in all respects prior to the End Date) agree to implement or cause to be implemented such divestiture, but conditioned on consummation of the Transactions hereunder. Further, and for the avoidance of doubt, Scripps and Journal will take any and all actions necessary in order to ensure that (i) no requirement for any non-action, consent or approval of FCC, the FTC, the DOJ, any state Attorney General or any other U.S. federal, state or local governmental authority, or any applicable non-U.S. antitrust or competition governmental authority, (ii) no decree, judgment, injunction, temporary restraining order or any other order in any suit or proceeding, and (iii) no other matter relating to any antitrust or competition law or any Communications Law would preclude consummation of the Transactions on or before the End Date.

**Section 11.04 Cooperation.** In connection with their obligations pursuant to this Article 11 with respect to pursuing the FCC Consent and the HSR Clearance, Scripps and Journal shall (a) keep each other informed in all material respects and on a reasonably timely basis of any material communication received by such party from, or given by such party to, any Governmental Authority and of any material communication received or given in connection with any Action by a private party, in each case with respect to this Agreement or the Transactions, (b) notify each other of all documents filed with, submitted to or received from any Governmental Authority with respect to this Agreement, the Scripps Stations, the Journal Stations or the Transactions (and provide each other copies of such documents), (c) furnish each other with such information and assistance as the other may reasonably request in connection with their preparation of any governmental filing or submission hereunder and (d) reasonably cooperate with each other in connection with and in advance of any filing or submission with a Governmental Authority in connection with the Transactions and in connection with any investigation or other inquiry by or before any Governmental Authority relating to this Agreement or the Transactions, including any Action initiated by a private party. Each of Scripps and Journal (i) shall have the right to review in advance, and to the extent practicable each will consult with each other on, all information that appears in any filing made with, or written materials submitted to, any Governmental Authority with respect to this Agreement or the Transactions, and (ii) shall give the other a reasonable opportunity to attend and participate in meetings and telephone conferences with any such Governmental Authority relating to the foregoing, to the extent not prohibited by the Governmental Authority. With regard to any sharing of information between the parties contemplated under this Section 11.04, (A) any disclosure of information shall be done in a manner consistent with Applicable Law, (B) information may be withheld as necessary to address reasonable attorney-client privilege concerns or as necessary to comply with restrictions set forth in Contracts and (C) either party may, as it deems advisable or necessary, reasonably designate any confidential or competitively sensitive information as for “outside counsel only.” Neither Scripps nor Journal shall file any amendment to the FCC Application or, after grant of the FCC Consent, request any modification of the FCC Consent without the consent of the other party hereto, such consent not to be unreasonably withheld or delayed.

**Section 11.05 SEC Filings.**

(a) As promptly as practicable after the date hereof, (i) Scripps and Journal shall jointly prepare, and Scripps shall cause to be filed with the SEC, the applicable Registration Statement required to register under the Securities Act the Scripps Class A Common Shares to be issued in connection with the Broadcast Merger and (ii) Scripps and Journal shall jointly prepare and cause to be filed with the SEC the applicable Registration Statement required to register under the Securities Act and the Exchange Act, as applicable, the Newco Common Stock to be issued and distributed in connection with the Newspaper Mergers. Scripps and Journal shall cooperate with one another (A) in connection with the preparation of the Registration Statements and any amendments or supplements thereto, including by furnishing all information concerning such party and its Subsidiaries as may be reasonably requested by the other party hereto in connection with the preparation, filing



and distribution thereof and (B) in timely taking such actions or making such filings, including any filings with a national securities exchange and furnishing information required in connection therewith or with the Registration Statements.

(b) Each of Scripps and Journal shall provide the other party hereto and their respective counsel with any comments or other communications, whether written or oral, that such party or its counsel may receive from time to time from the SEC or its staff with respect to the Registration Statements, promptly after receipt of those comments or other communications. Each of Scripps and Journal and their respective counsel shall jointly participate in the response to such comments, including by participating in any discussions or meetings with the SEC. Scripps and Journal shall use their reasonable best efforts to cause the Registration Statements to become effective under the Securities Act and the Exchange Act, as applicable, as promptly as practicable after such filing and to keep the Registration Statements effective as long as is necessary to consummate the Distributions and the Mergers. The Registration Statements shall comply as to form in all material respects with the rules and regulations promulgated by the SEC under the Securities Act or the Exchange Act, as applicable, including compliance with the disclosure and mailing requirements of Schedules 14A and 14C. As promptly as practicable after the Registration Statements have become effective, (i) Scripps shall mail the joint proxy statement included in the Registration Statements to the holders of Scripps Common Shares as of the Record Date for the Scripps Shareholders' Meeting and (ii) Journal shall mail the joint proxy statement included in the Registration Statements to the holders of Journal Common Stock as of the Record Date for the Journal Shareholders' Meeting.

Section 11.06 *Public Announcements*. Scripps and Journal shall consult with each other before issuing any press release, making any other public statement or scheduling any press conference or conference call with investors or analysts with respect to the Transaction Agreements or the Transactions and, except as may be required by Applicable Law, court process or any listing agreement with or rule of any national securities exchange or association (in which case the party hereto proposing to issue such press release or make such public announcement shall use commercially reasonable efforts to consult in good faith with the other party hereto before issuing any such press release or making any such public announcement), and except to the extent the disclosure is consistent with prior disclosure permitted by this Section 11.06, shall not issue any such press release, make any such other public statement or schedule any such press conference or conference call before such consultation. The parties hereto agree that the initial press release to be issued with respect to the Transactions immediately following execution of this Agreement shall be in the form agreed to by Scripps and Journal.

Section 11.07 *Further Assurances*. At and after the Newspaper Merger Effective Time, the respective officers and directors of Scripps Spinco Surviving Corporation and Journal Spinco Surviving Corporation shall be authorized to execute and deliver, in the name and on behalf of Scripps Spinco and Journal Spinco, as applicable, any deeds, bills of sale, assignments or assurances and to take and do, in the name and on behalf of Scripps Spinco or Journal Spinco, any other actions and things to vest, perfect or confirm of record or otherwise in Scripps Spinco Surviving Corporation or Journal Spinco Surviving Corporation any and all right, title and interest in, to and under any of the rights, properties or assets of Scripps Spinco or Journal Spinco acquired or to be acquired by Scripps Spinco Surviving Corporation or Journal Spinco Surviving Corporation as a result of, or in connection with, the applicable Newspaper Merger.

Section 11.08 *Access to Information*.

(a) From the date hereof until the Broadcast Merger Effective Time or earlier termination of this Agreement in accordance with its terms, and subject to Applicable Law and the Confidentiality Agreement, each of Scripps and Journal shall, and shall cause their respective Subsidiaries and Representatives to, (i) give to the other party hereto and its Representatives reasonable access during normal business hours to its offices, properties, books and records, (ii) furnish to the other party hereto and its Representatives such financial and operating data and other information as such Persons may reasonably request and (iii) instruct its Representatives to cooperate with the other party hereto in its investigation. Any investigation pursuant to this Section 11.08 shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the other party hereto. Notwithstanding anything to the contrary in this Section 11.08(a), no Person shall be required to provide access to information of the type described in the immediately preceding sentence if such information constitutes proprietary customer or supplier information or if the disclosure of such information is legally or contractually prohibited or would result in the loss of attorney client privilege; provided that the withholding party first uses commercially reasonable efforts to provide such information in a manner that does not violate any such disclosure obligations or privilege. No information or knowledge obtained in any investigation pursuant to this Section 11.08 shall affect or be deemed to modify any representation or warranty made by any party hereto hereunder. All information exchanged pursuant to this Section 11.08 shall be held by the parties hereto as Evaluation Material, as such term is used in the Confidentiality Agreement, and shall be subject to the terms of the Confidentiality Agreement.

(b) Without limiting the generality of the foregoing, the access contemplated by this Section 11.08 shall include the right on the part of each of Scripps and Journal, at its own expense, to conduct, during normal business hours and at reasonable times, a site visit and Phase I or II environmental site assessments, in each case in respect of any of the properties or facilities of Scripps and its Subsidiaries, in the case of Journal, and of Journal and its Subsidiaries, in the case of Scripps, for

the purpose of assessing environmental, health and safety compliance with Applicable Law. Journal and Scripps shall each have the right to approve in advance, the scope of work for any sampling or other invasive activities to be conducted on property or at facilities which Journal or Scripps or their Subsidiaries owns or operates, which approval shall not be unreasonably withheld, conditioned or delayed.

(c) From the date hereof until the Closing Date or earlier termination of this Agreement in accordance with its terms, and subject to Applicable Law and the Confidentiality Agreement, Scripps shall, no later than the 25th day of each calendar month, provide Journal with such unaudited financial statements of Scripps, the Scripps Newspaper Business and the Scripps Broadcast Business as are provided to and used by Scripps's management as of and for the month ending on the last day of the immediately preceding calendar month.

(d) From the date hereof until the Closing Date or earlier termination of this Agreement in accordance with its terms, and subject to Applicable Law and the Confidentiality Agreement, Journal shall, no later than the 25th day of each calendar month, provide Scripps with such unaudited financial statements of Journal, the Journal Newspaper Business and the Journal Broadcast Business as are provided to and used by Journal's management as of and for the month ending on the last day of the immediately preceding calendar month.

Section 11.09 *Notices of Certain Events*. Each of Scripps and Journal shall promptly notify, and provide copies of related notices, correspondence and documentation to, the other of:

(a) any notice or other communication from any Person alleging that the Consent of such Person is or may be required in connection with the Transactions;

(b) any material notice or other communication from any Governmental Authority in connection with the Transactions;

(c) any discovery by such party that any of its representations and warranties contained in this Agreement was, when made, or has subsequently become, untrue or inaccurate in any material respect (except with respect to any representations and warranties including the word "Material Adverse Effect," "material" or words of similar import, with respect to which, in each such case, such party shall provide such notice if it discovers that such representations and warranties were untrue or inaccurate in any respect);

(d) any failure of that party hereto to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder;

(e) any Actions commenced or, to its Knowledge, threatened against, relating to or involving or otherwise affecting Scripps or any of its Subsidiaries or Journal or any of its Subsidiaries, as the case may be, that, if pending on the date hereof, would have been required to have been disclosed pursuant to any of such party's representations or warranties, as the case may be, or that are material and relate to the consummation of the Transactions; and

(f) any notice of termination, cancellation or non-renewal of any Scripps Material Contract or Journal Material Contract (or any Contract entered into after the date hereof that would have been a Scripps Material Contract or Journal Material Contract if such Contract had been entered into prior to the date hereof); provided, however, that the delivery of any notice pursuant to this Section 11.09 shall not affect or be deemed to modify any representation or warranty made by any party hereto hereunder or limit or otherwise affect the remedies available hereunder to the party hereto receiving that notice.

Section 11.10 *Governance of Newco*. Scripps and Journal shall cause Newco to, and Newco shall, take all actions necessary so that at the Newspaper Merger Effective Time, the Newco Board of Directors shall initially consist of seven or eight directors, one of whom initially shall be the Chief Executive Officer of Newco, one of whom initially shall be the Chairman of the Board of Newco and none of whom shall include any signatory to the Scripps Family Agreement or any member of the Board of Directors or officer of Scripps upon consummation of the Broadcast Merger. No officer or director of Newco or any of its Subsidiaries shall be an officer or director of Scripps or any of its Subsidiaries.

Section 11.11 *Non-Solicitation of Employees*.

(a) Subject to the next sentence, from and after the Closing Date, Scripps shall not, and shall cause its Affiliates not to, solicit, induce or attempt to induce any employees of Newco or its Affiliates to leave the employ of Newco or such Affiliate; provided that Scripps and its Affiliates shall not be precluded from hiring any employee of Newco or its Affiliates (i) who initiates discussions regarding employment with Scripps, or an Affiliate of Scripps, without any direct or indirect solicitation or inducement by Scripps or its Affiliates, (ii) who responds to a general solicitation to the public or a general advertising not directly aimed at employees of Newco or its Affiliates or (iii) (A) who has been terminated from his or

her employment by Newco or its Affiliate or (B) who has terminated his or her employment with Newco or its Affiliate and in the case of this clause (iii)(B) at least six (6) months have elapsed since such termination. The covenant set forth in the preceding sentence shall be effective (x) for a period of two (2) years from the Closing Date with respect to employees of Newco or its Affiliates who are vice-presidents or officers who are senior to vice president and (y) for a period of one (1) year from the Closing Date for all other employees of Newco or its Affiliates.

(b) Subject to the next sentence, from and after the Closing Date, Newco shall not, and shall cause its Affiliates not to, solicit, induce or attempt to induce any employees of Scripps or its Affiliates to leave the employ of Scripps or the applicable Affiliate of Scripps, as the case may be; provided that Newco and its respective Affiliates shall not be precluded from hiring any employee of Scripps or the applicable Affiliate of Scripps (i) who initiates discussions regarding employment with Newco or its Affiliates without any direct or indirect solicitation or inducement by Newco or its Affiliates, (ii) who responds to a general solicitation to the public or a general advertising not directly aimed at employees of Scripps or the applicable Affiliate or (iii) (A) who has been terminated from his or her employment by Scripps or the applicable Affiliate of Scripps or (B) who has terminated his or her employment with Scripps or the applicable Affiliate of Scripps and in the case of this clause (iii)(B) at least six (6) months have elapsed since such termination. The covenant set forth in the preceding sentence shall be effective (x) for a period of two (2) years from the Closing Date with respect to employees of Scripps or its Affiliates who are vice-presidents or officers who are senior to vice president and (y) for a period of one (1) year from the Closing Date for all other employees of Scripps or its Affiliates.

(c) If any provision contained in this Section 11.11 shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Section 11.11, but this Section 11.11 shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. It is the intention of the parties hereto that if any of the restrictions or covenants contained herein is held to be for a length of time not permitted by Applicable Law, or in any way construed to be too broad or to any extent invalid, such provision shall not be construed to be null, void and of no effect, but to the extent such provision would be valid or enforceable under Applicable Law, a court of competent jurisdiction shall construe and interpret or reform this Section 11.11 to provide for a covenant having the maximum enforceable time period and other provisions (not greater than those contained herein) as shall be valid and enforceable under such Applicable Law. The parties hereto acknowledge that Newco or Scripps, as the case may be, would be irreparably harmed by any breach of this Section 11.11 and that there would be no adequate remedy at law or in damages to compensate Newco or Scripps. The parties hereto agree that Newco and Scripps shall be entitled to injunctive relief requiring specific performance by the applicable other party hereto, as the case may be, of this Section 11.11.

Section 11.12 *Transition Planning Committee.*

(a) Scripps and Journal shall form a "Transition Planning Committee" comprised of not more than five (5) representatives of Scripps and not more than five (5) representatives of Journal; provided that, in any case, the Transition Planning Committee shall be comprised of an equal number of representatives of Scripps and Journal. Scripps and Journal may replace any of their respective Representatives at any time or from time to time. The Transition Planning Committee shall be responsible for all aspects of transition planning from the date hereof until the Newspaper Merger Effective Time. All decisions of the Transition Planning Committee shall require the approval of a majority of its members. The Transition Planning Committee shall be entitled to incur reasonable expenses on behalf of Newco, including expenses in connection with the engagement of legal, financial, accounting and other advisors for Newco. The activities of the Transition Planning Committee will be conducted in accordance with Applicable Law.

(b) The Transition Planning Committee shall seek to arrange financing (the "Newco Financing") in an amount sufficient to provide appropriate cash reserves to fund the operations of Newco after the Newspaper Merger Effective Time and pay the fees and expenses incurred by or on behalf of Newco prior to the Newspaper Merger Effective Time.

(c) The Transition Planning Committee shall be responsible for recommending those persons who will serve on the Board of Directors and as officers of Newco from and after the Newspaper Merger Effective Time (subject to Section 11.10), and will be entitled to retain at Newco's expense recruiting or consulting firms to assist it in fulfilling such responsibilities.

Section 11.13 *Tax-Free Transaction.*

(a) Prior to the Effective Time, each party hereto shall use its reasonable best efforts to (i) cause the SMI Newspaper Contribution and SMI Newspaper Distribution to qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code, and will not take any action reasonably likely to cause such transactions not to so qualify; (ii) cause the SMI Newspaper Distribution to qualify as tax-free under Section 355(a) of the Code to Scripps and as tax-free to SMI under Section 361(c) of the Code, and will not take any action reasonably likely to cause such distribution not to so

qualify; (iii) cause the Scripps Newspaper Contribution and Scripps Newspaper Distribution to qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code, and will not take any action reasonably likely to cause such transactions not to so qualify; (iv) cause the Scripps Newspaper Distribution to qualify as tax-free under Section 355(a) of the Code to the Scripps Shareholders and as tax-free to Scripps under Section 361(c) of the Code, and will not take any action reasonably likely to cause such distribution not to so qualify; (v) cause the Journal Newspaper Contribution and Journal Newspaper Distribution to qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code, and will not take any action reasonably likely to cause such transactions not to so qualify; (vi) cause the Journal Newspaper Distribution to qualify as tax-free under Section 355(a) of the Code to the Journal Shareholders, and will not take any action reasonably likely to cause such distribution not to so qualify; (vii) ensure that the Mergers will not cause the Scripps Spinco Common Stock to fail to be treated as “qualified property” for purposes of Section 355(c)(2) or Section 361(c)(2) of the Code; (viii) cause the Newspaper Mergers to qualify as exchanges described in Section 351 of the Code and/or reorganizations described in Sections 368(a)(1)(B) and/or 368(a)(2)(E) of the Code, and shall not take any action reasonably likely to cause the such transactions not to so qualify; (ix) cause the Broadcast Merger to qualify as a reorganization described in Section 368(a) of the Code, and shall not take any action reasonably likely to cause the such transaction not to so qualify and (x) for the avoidance of doubt, will not take any action reasonably likely to cause such Section 355(e) of Code to apply to the SMI Newspaper Distribution or the Scripps Newspaper Distribution.

(b) Each of Scripps and Journal shall use its reasonable best efforts to obtain the opinions referred to in Sections 12.02(b) and 12.03(b), respectively.

(c) Journal and the appropriate Subsidiaries of Journal shall take such actions as they deem necessary in order to cause elections under Section 336(e) of the Code to be made with respect to Journal Sentinel, Inc. and Journal Community Publishing Group, Inc. in connection with the Journal Newspaper Distribution.

Section 11.14 *Director and Officer Indemnification and Liability Insurance.*

(a) At and after the Broadcast Merger Effective Time, upon the terms and conditions of this Section 11.14, Scripps shall indemnify and hold harmless and advance expenses to the present and former officers and directors of Scripps and its Subsidiaries, and each individual who prior to the Broadcast Merger Effective Time becomes an officer or director of any such entity (each, a “Scripps D&O Indemnified Person”), and the present and former officers, including any employed lawyers, and directors of Journal and its Subsidiaries, and each individual who prior to the Broadcast Merger Effective Time becomes an officer or director of any such entity (each, a “Journal D&O Indemnified Person” and together with each Scripps D&O Indemnified Person, the “D&O Indemnified Persons”), in respect of acts or omissions by them in their capacities as such occurring at or prior to the Broadcast Merger Effective Time (including for acts or omissions occurring in connection with the Transaction Agreements and the consummation of the Transactions) to the maximum extent permitted by law (“D&O Indemnified Losses”). Without limiting the generality of the foregoing, the D&O Indemnified Losses shall include reasonable costs of prosecuting a claim under this Section 11.14. Scripps shall periodically advance or reimburse each D&O Indemnified Person for all reasonable fees and expenses constituting D&O Indemnified Losses as such fees and expenses are incurred; provided that such D&O Indemnified Person shall agree to promptly repay to Scripps the amount of any such reimbursement if it shall be judicially determined by judgment or order not subject to further appeal or discretionary review that such D&O Indemnified Person is not entitled to be indemnified by Scripps in connection with such matter. In the event that Scripps sells, transfers or leases all or substantially all of its assets or is not a surviving corporation in any merger, consolidation or other business combination in which it may enter with any Person, Scripps shall, as a condition of any such transaction, cause such purchaser or such surviving corporation, as the case may be, to assume its obligations under this Section 11.14 upon the consummation of any such transaction.

(b) For six (6) years after the Broadcast Merger Effective Time, Scripps shall provide officers’ and directors’ liability insurance in respect of acts or omissions occurring prior to the Broadcast Merger Effective Time (including for acts or omissions occurring in connection with the Transaction Agreements and the consummation of the Transactions) covering each Scripps D&O Indemnified Person currently covered by the officers’ and directors’ liability insurance policy of Scripps on terms with respect to coverage and amount (including with respect to the payment of attorneys’ fees) no less favorable than those of such policy in effect on the date hereof; provided that, if the aggregate annual premiums for such insurance during such period shall exceed 300% of the per annum rate of premium paid by Scripps as of the date hereof for such insurance, then Scripps shall provide or cause to be provided a policy for Scripps D&O Indemnified Persons with the best coverage as shall then be available at 300% of the rate applicable to Scripps.

(c) For six (6) years after the Broadcast Merger Effective Time, Scripps shall provide officers’ and directors’ liability insurance in respect of acts or omissions occurring prior to the Broadcast Merger Effective Time (including for acts or omissions occurring in connection with the Transaction Agreements and the consummation of the Transactions) covering each Journal D&O Indemnified Person currently covered by the officers’ and directors’ liability insurance policy of Journal on terms with respect to coverage and amount (including with respect to the payment of attorneys’ fees) no less

favorable than those of such policy in effect on the date hereof; provided that, if the aggregate annual premiums for such insurance during such period shall exceed 300% of the per annum rate of premium paid by Journal as of the date hereof for such insurance, then Scripps shall provide or cause to be provided a policy for Journal D&O Indemnified Persons with the best coverage as shall then be available at 300% of the rate applicable to Journal.

(d) The rights of each D&O Indemnified Person and his or her heirs and legal representatives under this Section 11.14 shall be in addition to any rights such D&O Indemnified Person may have under the Organizational Documents of Newco, Scripps, Journal, or any Subsidiary of the foregoing corporations, under any agreement of any D&O Indemnified Person with any such entity, under ORC, the WBCL or under any other Applicable Law.

(e) The obligations of Scripps shall not be terminated or modified in such a manner as to adversely affect the rights of any D&O Indemnified Person to whom this Section 11.14 applies unless (i) such termination or modification is required by Applicable Law or (ii) the affected D&O Indemnified Person shall have consented in writing to such termination or modification (it being expressly agreed that the D&O Indemnified Persons to whom this Section 11.14 applies shall be third party beneficiaries of this Section 11.14).

Section 11.15 *Stock Exchange Listing*. Newco, Scripps and Journal shall use their respective reasonable best efforts to cause the shares of Newco Common Stock to be issued in the Newspaper Mergers to be listed on the NYSE, the NASDAQ Stock Market or other nationally recognized stock exchange in the United States, subject to official notice of issuance. Scripps shall use its reasonable best efforts to cause the Scripps Class A Common Shares to be issued in the Broadcast Merger to be listed on the NYSE, subject to official notice of issuance.

Section 11.16 *Transition Services Agreement*. Scripps and Journal shall work in good faith with any integration consultant retained by or on behalf of Newco by the Transition Planning Committee to determine the services to be provided to Newco pursuant to the Transition Services Agreement. Any services listed in the schedules or exhibits to the Transition Services Agreement are for illustrative purposes only.

Section 11.17 *Replacement of Credit Support Arrangements*. The parties hereto shall use commercially reasonable efforts to cause Newco to provide, on or prior to the Closing Date, replacement Credit Support Arrangements with respect to (a) each Credit Support Arrangement issued by Scripps or any of Subsidiaries for the benefit of any Scripps Newspaper Entity or with respect to any Scripps Newspaper Liability or the Scripps Newspaper Business, in each case that is outstanding as of the Closing Date and (b) each Credit Support Arrangement issued by Journal or any of its Subsidiaries for the benefit of any Journal Newspaper Entity or with respect to any Journal Newspaper Liability or the Journal Newspaper Business, in each case that is outstanding as of the Closing Date (collectively, the "Existing Newspaper Credit Support Arrangements"). Scripps and Journal shall cooperate to obtain any necessary release of the Existing Newspaper Credit Support Arrangements issued by Scripps or Journal in form and substance reasonably satisfactory to such parties.

Section 11.18 *Insurance Policies*. Prior to the Newspaper Merger Effective Time, Scripps, Journal and Newco shall take all necessary actions (a) to cause Newco and the Newspaper Entities to be removed, with respect to occurrences transpiring (under occurrence-based policies) or claims first made (with respect to claims made policies) subsequent to the Newspaper Merger Effective Time, as insureds under any insurance policy covering Scripps and its Subsidiaries or Journal and its Subsidiaries and (b) to cause Newco, on behalf of itself and the Newspaper Entities after the Newspaper Merger Effective Time, to procure such insurance coverage as determined by Scripps, Journal and Newco, in good faith, to be necessary or advisable in connection with the operation of the Newspaper Business after the Newspaper Merger Effective Time, the cost of such coverage to be born solely by Newco. From and after the Newspaper Merger Effective Time, Newco agrees that it shall not (and shall cause its Subsidiaries not to) make any claim against Scripps or any of its Subsidiaries or Journal or any of its Subsidiaries, or to any carrier under any insurance policy of Scripps and its Subsidiaries or Journal and its Subsidiaries alleging that Newco, any of its Subsidiaries or the Newspaper Business is entitled to coverage or reimbursement under any such Policy, with respect to occurrences transpiring (under occurrence-based policies) or claims first made (with respect to claims made policies) subsequent to the Newspaper Merger Effective Time.

Section 11.19 *Mail and Other Communications*. After the Broadcast Merger Effective Time, Newco shall, and shall cause its Affiliates to, promptly remit to Scripps any checks, cash, payments, mail or other communications directed to Scripps, Journal or any of their respective Subsidiaries (other than the Newspaper Entities) that are received by Newco or any Affiliate thereof after the Broadcast Merger Effective Time and do not primarily relate to the Scripps Newspaper Business or the Journal Newspaper Business. After the Broadcast Merger Effective Time, Scripps shall, and shall cause its Affiliates to, promptly remit to Newco any checks, cash, payments, mail or other communications directed to Newco or any Newspaper Entity that are received by Scripps or any Affiliate thereof after the Broadcast Merger Effective Time and do not primarily relate to the Scripps Broadcast Business or the Journal Broadcast Business.

Section 11.20 *Joint Privilege*. Scripps and Newco acknowledge and agree that the attorney-client privilege, attorney work product and expectation of client confidence involving general business matters arising prior to the Newspaper Merger Effective Time for the benefit of both the Scripps Newspaper Business or the Journal Newspaper Business, on the one hand, and the Scripps Broadcast Business or the Journal Broadcast Business, on the other hand, shall, from and after the Newspaper Merger Effective Time, be subject to a joint privilege between Scripps and its Subsidiaries (which include Journal and its Subsidiaries after the Broadcast Merger Effective Time), on the one hand, and Newco and its Subsidiaries, on the other hand, and Scripps and Newco and their respective Subsidiaries shall have equal right to assert all such joint privilege and protection and no such joint privilege may be waived by (a) Scripps or any of its Subsidiaries without the prior written consent of Newco or (b) Newco or any of its Subsidiaries without the prior written consent of Scripps (such consent not to be unreasonably withheld, conditioned or delayed).

Section 11.21 *Tax Matters and Employee Matters Agreements*. From the date hereof until the Closing Date or earlier termination in accordance with the terms hereof, the parties hereto shall cooperate in good faith to take all action reasonably necessary to effectuate the matters contemplated on and after the Closing Date by each of the Employee Matters Agreement and the Tax Matters Agreements.

Section 11.22 *Section 16 Matters*. Prior to the Broadcast Merger Effective Time, each of Scripps and Journal shall take all such steps as may be required to cause (a) any dispositions of Journal Common Stock (including derivative securities with respect to Journal Common Stock) resulting from the Transactions by each individual who will be subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Journal immediately prior to the Broadcast Merger Effective Time to be exempt under Rule 16b-3 promulgated under the Exchange Act and (b) any acquisitions of Newco Common Stock (including derivative securities with respect to Newco Common Stock) or any acquisitions of Scripps Common Stock (including derivative securities with respect to Scripps Common Stock) resulting from the Transactions by each individual who may become or is reasonably expected to become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Scripps or Newco to be exempt under Rule 16b-3 promulgated under the Exchange Act.

## ARTICLE 12 CONDITIONS TO THE OBLIGATIONS OF THE PARTIES

Section 12.01 *Conditions to the Obligations of Each Party*. The obligations of each party hereto to consummate the Transactions are subject to the satisfaction (or, to the extent permitted by Applicable Law, waiver) on or prior to the Closing Date of the following conditions:

- (a) no material provision of any Applicable Law and no judgment, injunction, order or decree shall prohibit the consummation of the Transactions;
- (b) the Registration Statements shall have been declared effective and no stop order suspending the effectiveness of the Registration Statements shall be in effect and no proceedings for such purpose shall be pending before or threatened by the SEC;
- (c) the shares of Newco Common Stock to be issued in the Newspaper Mergers and the Scripps Class A Common Shares to be issued in the Broadcast Merger shall have been approved for listing on the NYSE, the NASDAQ Stock Market or other nationally recognized stock exchange in the United States, subject to official notice of issuance;
- (d) (i) the FCC Consent and (ii) the HSR Clearance shall have been obtained;
- (e) the Scripps Refinancing shall be in place with funds available for borrowing thereunder from and after the Closing Date;
- (f) there shall not have been instituted any action or proceeding by any Governmental Authority that remains pending before any Governmental Authority (i) challenging or seeking to make illegal or prohibit the consummation of the Transactions, (ii) seeking to compel Newco or any of its Subsidiaries to dispose of or hold separate all or any material portion of the business or assets of the Scripps Newspaper Business and the Journal Newspaper Business, taken as a whole; or (iii) seeking to compel Scripps, Journal or any of their respective Subsidiaries to dispose of or hold separate all or any material portion of the business or assets of the Scripps Broadcast Business or the Journal Broadcast Business, except as provided in Section 8.14 of the Journal Disclosure Schedule;
- (g) each of the Transaction Agreements shall have been executed and delivered by each of the other parties hereto;

(h) the Scripps Shareholder Approval and the Journal Shareholder Approval shall have been obtained; and

(i) each of Television Networks ABC, NBC, CBS and Fox that are required to Consent to any of the Transactions pursuant to the network affiliation agreements to which Journal is (or any of the Journal Stations are) a party shall have so consented.

Section 12.02 *Conditions to the Obligations of Scripps*. The obligations of Scripps and each of its Subsidiaries that is a party hereto to consummate the Transactions to which it is party are further subject to the satisfaction (or, to the extent permitted by Applicable Law, waiver) on or prior to the Closing Date of the following conditions:

(a) (i) Journal shall have performed in all material respects all of its obligations hereunder required to be performed by it on or prior to the Closing Date, (ii) subject to the standards set forth in Section 15.01(b), the representations and warranties of Journal contained in this Agreement, shall be true and correct as of the Closing Date, as if made on the Closing Date (other than representations or warranties that address matters only as of a certain date, which shall be true and correct as of such date), and (iii) Scripps shall have received a certificate signed by an executive officer of Journal to the foregoing effect; and

(b) Scripps shall have received an opinion of Baker & Hostetler LLP reasonably acceptable to Scripps dated the Closing Date, to the effect that: (i) the SMI Newspaper Contribution and the SMI Newspaper Distribution will qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code; (ii) the SMI Newspaper Distribution will qualify as a distribution described in Section 355 of the Code; (iii) with respect to the SMI Newspaper Distribution, the Scripps Spinco Common Stock will be treated as “qualified property” for purposes of Section 361(c)(2) of the Code; (iv) the Scripps Newspaper Contribution and the Scripps Newspaper Distribution will qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code; (v) the Scripps Newspaper Distribution will qualify as a distribution described in Section 355 of the Code; (vi) with respect to the Scripps Newspaper Distribution, the Scripps Spinco Common Stock will be treated as “qualified property” for purposes of Section 361(c)(2) of the Code; (vii) the exchange of Scripps Spinco Common Stock for Newco Common Stock pursuant to the Scripps Newspaper Merger will qualify as an exchange described in Section 351 of the Code and/or a reorganization described in Sections 368(a)(1)(B) and/or 368(a)(2)(E) of the Code; and (viii) the Broadcast Merger will qualify as a reorganization described in Section 368(a) of the Code. In rendering such opinion, such counsel shall be entitled to rely upon appropriate representations of officers of Scripps, Journal and Newco, reasonably acceptable to such counsel, which representations shall be substantially finalized by the parties hereto and such counsel by not later than five (5) days prior to the Closing Date and updated on the Closing Date.

Section 12.03 *Conditions to the Obligations of Journal*. The obligations of Journal and each of its Subsidiaries that is a party hereto to consummate the Transactions to which it is party are further subject to the satisfaction (or, to the extent permitted by Applicable Law, waiver) on or prior to the Closing Date of the following conditions:

(a) (i) Scripps shall have performed in all material respects all of its obligations hereunder required to be performed by it on or prior to the Closing Date, (ii) subject to the standards set forth in Section 15.01(a), the representations and warranties of Scripps contained in this Agreement shall be true and correct on the Closing Date, as if made on the Closing Date (other than representations and warranties that address matters only as of a certain date, which shall be true and correct as of such date) and (iii) Journal shall have received a certificate signed by an executive officer of Scripps to the foregoing effect; and

(b) Journal shall have received an opinion of Foley & Lardner LLP reasonably acceptable to Journal dated the Closing Date, to the effect that: (i) the Journal Newspaper Contribution and the Journal Newspaper Distribution will qualify as a reorganization within the meaning of Sections 368(a)(1)(D) and 355 of the Code; (ii) the Journal Newspaper Distribution will qualify as a distribution described in Section 355 of the Code; (iii) the exchange of Journal Spinco Common Stock for Newco Common Stock pursuant to the Journal Newspaper Merger will qualify as an exchange described in Section 351 of the Code and/or a reorganization described in Sections 368(a)(1)(B) and/or 368(a)(2)(E) of the Code; and (iv) the Broadcast Merger will qualify as a reorganization described in Section 368(a) of the Code. In rendering such opinion, such counsel shall be entitled to rely upon appropriate representations of officers of Journal, Scripps and Newco, reasonably acceptable to such counsel, which representations shall be substantially finalized by the parties hereto and such counsel by not later than five (5) days prior to the Closing Date and updated on the Closing Date.

Section 12.04 *Additional Conditions to Each Party's Obligations to Effect the Mergers*. The obligations of the parties hereto to effect the Mergers are further subject to the satisfaction (or, to the extent permitted by Applicable Law, waiver) on or prior to the Closing Date of the following conditions:

(a) the Scripps Pre-Newspaper Distribution Transactions and the Journal Pre-Newspaper Distribution Transactions shall have been consummated; and

(b) the Distributions shall have been consummated.

### ARTICLE 13 TERMINATION

Section 13.01 *Termination*. This Agreement may be terminated and the Transactions may be abandoned at any time prior to the Distribution Time:

(a) by mutual written agreement of Scripps and Journal;

(b) by either Scripps or Journal, if:

(i) the Transactions have not been consummated on or before September 30, 2015 (the “End Date”); provided that the right to terminate this Agreement pursuant to this Section 13.01(b)(i) shall not be available to any party hereto whose breach of any provision of this Agreement results in the failure of the Transactions to be consummated by such time; provided, further, that if the Transactions have not been consummated on or before September 30, 2015, solely by reason of the failure of the condition set forth in Section 12.01(d)(i) to be satisfied, the “End Date” shall be extended to December 31, 2015, in the event either Scripps or Journal delivers a notice to the other indicating that it believes in good faith that such condition would reasonably be expected to be satisfied by December 31, 2015;

(ii) there shall be any Applicable Law that (A) makes consummation of the Transactions illegal or otherwise prohibited or (B) enjoins Scripps or Journal from consummating the Transactions and such enjoinder shall have become final and nonappealable;

(iii) the Journal Shareholder Approval shall not have been obtained; or

(iv) the Scripps Shareholder Approval shall not have been obtained.

(c) by Scripps, if any of the conditions set forth in Sections 12.01 or 12.02 shall have become incapable of being satisfied by the End Date; provided that the right to terminate this Agreement pursuant to this Section 13.01(c) shall not be available if Scripps’s breach of any provision of this Agreement has resulted in such condition becoming incapable of being satisfied;

(d) by Journal, if any of the conditions set forth in Sections 12.01 or 12.03 shall have become incapable of being satisfied by the End Date; provided that the right to terminate this Agreement pursuant to this Section 13.01(d) shall not be available if Journal’s breach of any provision of this Agreement has resulted in such condition becoming incapable of being satisfied;

(e) by Journal, (i) if the Board of Directors of Scripps has failed to make the Scripps Board Recommendation pursuant to Sections 9.07 and 9.08, (ii) if the Board of Directors of Scripps effected a Change in the Scripps Board Recommendation, (iii) if Scripps has entered into a Scripps Acquisition Agreement, or (iv) if Scripps otherwise has failed to comply in all material respects with its obligations under Section 9.02;

(f) by Scripps, (i) if the Board of Directors of Journal has failed to make the Journal Board Recommendation pursuant to Section 10.06, (ii) if the Board of Directors of Journal effected a Change in the Journal Board Recommendation, (iii) if Journal has entered into a Journal Acquisition Agreement or (iv) if Journal otherwise has failed to comply in all material respects with its obligations under Section 10.02;

(g) by Scripps, if, prior to the First Date, the Board of Directors of Scripps effected a Change in the Scripps Board Recommendation or entered into a Scripps Acquisition Agreement in connection with a Scripps Superior Proposal, in each case, in compliance with Section 9.02; provided, however, that concurrently with such termination under this Section 13.01(g) Scripps shall make the payment required by Section 13.03(e); or

(h) by Journal, if, prior to the First Date, the Board of Directors of Journal effected a Change in the Journal Board Recommendation or entered into a Journal Acquisition Agreement with respect to a Journal Superior Proposal, in each case, in compliance with Section 10.02; provided, however, that concurrently with such termination under this Section 13.01(h) Journal shall make the payment required by Section 13.03(f).



The party hereto desiring to terminate this Agreement pursuant to this Section 13.01 (other than pursuant to Section 13.01(a)) shall give written notice of such termination to the other party hereto specifying the provision of this Agreement pursuant to which such termination is effected.

Section 13.02 *Effect of Termination*. If this Agreement is terminated pursuant to Section 13.01, this Agreement shall become void and of no effect without liability of any party hereto (or any shareholder, director, officer, employee, agent, consultant or representative of such party) to any other party hereto; provided that, if such termination shall result from the knowing and willful (a) failure of any party hereto to use the applicable standard of effort to fulfill a condition to the performance of the obligations of any other party hereto or (b) breach of any representation or warranty herein or the failure of either party hereto to perform a covenant herein, such party shall be fully liable for any and all liabilities and Damages incurred or suffered by any other party hereto (but not to any third party not a party to this Agreement including any shareholder, director, officer, employee, agent consultant or representative of such party) as a result of such failure or breach, without limiting Section 15.12 in any respect. The provisions of the last sentence of Section 11.08(a), this Section 13.02, Section 13.03, Section 13.04, Section 13.05 and Article 15 shall survive any termination hereof pursuant to Section 13.01. For the avoidance of doubt, the Confidentiality Agreement shall be effectively terminated at the Broadcast Merger Effective Time. Unless and until the Broadcast Merger Effective Time has occurred, the Confidentiality Agreement shall remain in full force and effect and survive any termination of this Agreement in accordance with its terms.

Section 13.03 *Fees and Expenses*.

(a) In the event that (i) this Agreement is terminated pursuant to Section 13.01(b)(iv) and prior to such termination Journal shall have obtained the Journal Shareholder Approval, and (ii) prior to the Scripps Family Meeting, no Scripps Acquisition Proposal was pending, Scripps shall as promptly as possible (but in any event within two (2) Business Days following receipt of an invoice therefor) pay all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Journal and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however that in no case will the amount payable by Scripps to Journal exceed \$7,500,000 (the "Expenses Cap") under this Section 13.03(a). Any payment required pursuant to this Section 13.03(a) shall be made by wire transfer of immediately available funds to an account designated by Journal.

(b) In the event that (i) this Agreement is terminated pursuant to Section 13.01(b)(iii) and prior to such termination Scripps shall have obtained the Scripps Shareholder Approval required at the Scripps Family Meeting (without giving effect to the Scripps Shareholders' Meeting), and (ii) prior to the Journal Shareholder Meeting, no Journal Acquisition Proposal was pending, Journal shall as promptly as possible (but in any event within two (2) Business Days following receipt of an invoice therefor) pay all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Scripps and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however that in no case will the amount payable by Journal to Scripps under this Section 13.03(b) exceed the Expenses Cap. Any payment required pursuant to this Section 13.03(b) shall be made by wire transfer of immediately available funds to an account designated by Scripps.

(c) In the event that (i) this Agreement is terminated pursuant to Section 13.01(b)(iv) and prior to such termination Journal shall have obtained the Journal Shareholder Approval, and (ii) prior to the Scripps Family Meeting, a Scripps Acquisition Proposal shall have been publicly announced and not publicly withdrawn, Scripps shall as promptly as possible (but in any event within two (2) Business Days following receipt of an invoice therefor) pay all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Journal and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however that in no case will the amount payable by Scripps to Journal pursuant to the first sentence of this Section 13.01(c) exceed the Expenses Cap. Except as otherwise provided in Section 9.11 and Section 13.03(j), in addition, in the event that within twelve (12) months following the date of such termination, Scripps shall have (A) entered into a definitive agreement with respect to, (B) recommended to the Scripps Shareholders or (C) consummated, in each case, a transaction contemplated by any such Scripps Acquisition Proposal, then Scripps shall pay to Journal within two (2) Business Days after entering into such definitive agreement, making such recommendation or consummating such transaction, a termination fee equal to two and eighty five one hundredths percent (2.85%) of the Journal Equity Value. Any such payment shall be made by wire transfer of immediately available funds to an account designated by Journal.

(d) In the event that (i) this Agreement is terminated pursuant to Section 13.01(b)(iii) and prior to such termination Scripps shall have obtained the Scripps Shareholder Approval required at the Scripps Family Meeting (without giving effect to the Scripps Shareholders' Meeting), and (ii) prior to the Journal Shareholders' Meeting, a Journal Acquisition Proposal shall have been publicly announced and not publicly withdrawn, Journal shall as promptly as possible (but in any event within two (2) Business Days following receipt of an invoice therefor) pay all reasonable and documented out-of-pocket

fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Scripps and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however, that in no case will the amount payable by Journal to Scripps pursuant to the first sentence of this Section 13.01(d) exceed the Expenses Cap. Except as otherwise provided in Section 10.08 and Section 13.03(g), in addition, in the event that within twelve (12) months following the date of such termination, Journal shall have (A) entered into a definitive agreement with respect to, (B) recommended to the Journal Shareholders or (C) consummated, in each case, a transaction contemplated by any such Journal Acquisition Proposal, then Journal shall pay to Scripps within two (2) Business Days after entering into such definitive agreement, making such recommendation or consummating such transaction, a termination fee equal to two and eighty five one hundredths percent (2.85%) of the Journal Equity Value. Any such payment shall be made by wire transfer of immediately available funds to an account designated by Journal.

(e) If this Agreement is terminated pursuant to Section 13.01(e)(i)-(iii) on or prior to the Journal Second Date or is terminated pursuant to Section 13.01(g), then Scripps shall, within two (2) Business Days after the date of termination, pay Journal:

(i) with respect to a Scripps Superior Proposal by a Scripps Qualifying Party, (A) a termination fee equal to two and twenty five one hundredths percent (2.25%) of the Journal Equity Value and (B) all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Journal and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however, that in no case will the amount payable by Scripps to Journal pursuant to this clause (B) exceed \$5,000,000; or

(ii) in all other circumstances, (A) a termination fee equal to two and eighty five one hundredths percent (2.85%) of the Journal Equity Value and (B) all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Journal and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however, that in no case will the amount payable by Scripps to Journal pursuant to this clause (B) exceed the Expenses Cap.

Any such payment shall be made by wire transfer of immediately available funds to an account designated by Journal.

(f) If this Agreement is terminated pursuant to Section 13.01(f)(i)-(iii) on or prior to the Scripps Second Date or is terminated pursuant to Section 13.01(h), then Journal shall, within two (2) Business Days after the date of termination, pay Scripps:

(i) with respect to a Journal Superior Proposal by a Journal Qualifying Party, (A) a termination fee equal to two and twenty five one hundredths percent (2.25%) of the Journal Equity Value and (B) all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Scripps and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however, that in no case will the amount payable by Journal to Scripps pursuant to this clause (B) exceed \$5,000,000; or

(ii) in all other circumstances, (A) a termination fee equal to two and eighty five one hundredths percent (2.85%) of the Journal Equity Value and (B) all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Scripps and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however, that in no case will the amount payable by Journal to Scripps pursuant to this clause (B) exceed the Expenses Cap.

Any such payment shall be made by wire transfer of immediately available funds to an account designated by Scripps.

(g) If this Agreement is terminated pursuant to Section 13.01(f)(i)-(iii) after the Scripps Second Date, then Journal shall, within two (2) Business Days after the date of termination, pay Scripps all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Scripps and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however that in no case will the amount payable by Journal to Scripps under this Section 13.03(g) exceed the Expenses Cap. Any such payment shall be made by wire transfer of immediately available funds to an account designated by Scripps.

(h) If this Agreement is terminated pursuant to Section 13.01(e)(iv), then Scripps shall, within two (2) Business Days after the date of termination, pay Journal (i) a termination fee equal to two and eighty five one hundredths percent (2.85%) of the Journal Equity Value and (ii) all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Journal and its Affiliates on or prior to

the date of termination of this Agreement in connection with the Transactions; provided, however, that in no case will the amount payable by Scripps to Journal pursuant to this clause (ii) exceed the Expenses Cap. Any such payment shall be made by wire transfer of immediately available funds to an account designated by Journal.

(i) If this Agreement is terminated pursuant to Section 13.01(f)(iv), then Journal shall, within two (2) Business Days after the date of termination, pay Scripps (i) a termination fee equal to two and eighty five one hundredths percent (2.85%) of the Journal Equity Value and (ii) all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Scripps and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however, that in no case will the amount payable by Journal to Scripps pursuant to this clause (ii) exceed the Expenses Cap. Any such payment shall be made by wire transfer of immediately available funds to an account designated by Scripps.

(j) If this Agreement is terminated pursuant to Section 13.01(e)(i)-(iii) after the Journal Second Date, then Scripps shall, within two (2) Business Days after the date of termination, pay Journal all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Journal and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however that in no case will the amount payable by Scripps to Journal under this Section 13.03(j) exceed the Expenses Cap. Any such payment shall be made by wire transfer of immediately available funds to an account designated by Journal.

#### Section 13.04 *Termination Fee in Lieu of Specific Performance.*

(a) Without limiting Section 15.12 and notwithstanding anything in this Agreement to the contrary, if Scripps breaches its obligation to consummate the Transactions, Journal shall have the option, but not the obligation, to (i) request Scripps to immediately pay at such time, or (ii) request Scripps to pay after Journal shall have sought to enforce the remedy of specific performance under Section 15.12 and such remedy for whatever reason shall have been found not enforceable under Applicable Law with respect to such breach, in each case an amount equal to (A) two and eighty five one hundredths percent (2.85%) of the Journal Equity Value, *plus* (B) reimbursement of all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Journal and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however that in no case will the aggregate amount of the fees and expenses payable by Scripps to Journal pursuant to this Section 13.04(a) exceed four and twenty five one hundredths percent (4.25%) of the Journal Equity Value. Any such payment shall be made by wire transfer of immediately available funds to an account designated by Journal and shall be made within two (2) Business Days after such request.

(b) Without limiting Section 15.12, and notwithstanding anything in this Agreement to the contrary, if Journal breaches its obligation to consummate the Transactions, Scripps shall have the option, but not the obligation, to (i) request Journal to immediately pay at such time, or (ii) request Journal to pay after Scripps shall have sought to enforce the remedy of specific performance under Section 15.12 and such remedy for whatever reason shall have been found not enforceable under Applicable Law with respect to such breach, in each case an amount equal to (A) two and eighty five one hundredths percent (2.85%) of the Journal Equity Value, *plus* (B) reimbursement of all reasonable and documented out-of-pocket fees and expenses (including reasonable legal and other third party advisors fees and expenses) actually incurred by Scripps and its Affiliates on or prior to the date of termination of this Agreement in connection with the Transactions; provided, however that in no case will the aggregate amount of the fees and expenses payable by Journal to Scripps pursuant to this Section 13.04(b) exceed four and twenty five one hundredths percent (4.25%) of the Journal Equity Value. Any such payment shall be made by wire transfer of immediately available funds to an account designated by Scripps and shall be made within two (2) Business Days after such request.

(c) The parties hereto acknowledge and agree that, as to itself, any exercise by Scripps or Journal of its respective rights under this Section 13.04, as the case may be, shall be such party's sole and exclusive remedy hereunder; provided, however, that if (i) Scripps or Journal could have otherwise terminated this Agreement pursuant to Sections 13.01(b)(iii)-(iv), Journal could have otherwise terminated this Agreement pursuant to Sections 13.01(e)(i), (ii), or (iii), or Section 13.01(h) or (iii) Scripps could have otherwise terminated this Agreement pursuant to Sections 13.01(f)(i), (ii), or (iii), or Section 13.01(g), then any such Party or Parties may not seek a remedy under this Agreement pursuant to this Section 13.04.

Section 13.05 *Termination Fee as Liquidated Damages.* The payment of any termination fee by any party pursuant to Section 13.03 or Section 13.04 shall constitute liquidated damages, not a penalty and shall be the sole remedy of the payee under this Agreement. The parties hereto acknowledge and agree that the recovery by any party of such amount is reasonable in light of the substantial and indeterminate harm anticipated to be caused by the termination of this Agreement pursuant to Section 13.03 or Section 13.04, the difficulty of proof of loss and damages, the inconvenience and non-feasibility of otherwise obtaining an adequate remedy and the value of the Transactions.

ARTICLE 14  
SURVIVAL AND INDEMNIFICATION; RELEASES

Section 14.01 *Survival*. The representations and warranties of the parties hereto contained in this Agreement or in any certificate or other writing delivered pursuant hereto or in connection herewith (and covenants herein that have the effect of obligating a party hereto to maintain the accuracy of its representations and warranties or to provide notice of an inaccuracy in its representations or warranties), and any claim with respect thereto, shall not survive the Broadcast Merger Effective Time. None of the covenants or agreements contained in this Agreement to be wholly performed prior to or on the Closing Date, or any claim with respect thereto, shall survive the Broadcast Merger Effective Time, and no such claim may be brought by any Person after the Broadcast Merger Effective Time, and all parties hereto shall be released from all Liabilities thereunder, including with respect to any breach thereof, effective as of the Broadcast Merger Effective Time. The covenants and agreements contained in this Agreement that by their terms apply or are to be performed in whole or in part after the Broadcast Merger Effective Time shall survive for the period provided in such covenants and agreements, if any, or until fully performed.

Section 14.02 *Indemnification*.

(a) Effective from and after the Broadcast Merger Effective Time, Scripps hereby indemnifies Newco, its Subsidiaries and their respective Affiliates and successors and assigns (the "Newco Indemnified Parties") against, and agrees to hold each of them harmless from, any and all damage, loss, liability and expense (including reasonable expenses of investigation and reasonable attorneys' fees and expenses in connection with any action, suit or proceeding whether involving a Third Party claim or a claim solely between the parties hereto) ("Damages") actually incurred or suffered by such Newco Indemnified Party arising out of, relating to or resulting from:

(i) the Scripps Broadcast Group, the Scripps Broadcast Assets, the Scripps Broadcast Liabilities, the Journal Broadcast Group, the Journal Broadcast Assets or the Journal Broadcast Liabilities;

(ii) any breach of any covenant or agreement of Scripps or Journal contained in this Agreement that survives the Broadcast Merger Effective Time pursuant to Section 14.01; or

(iii) the complete withdrawal liability payable by Scripps to the GCIU – Employers Retirement Fund pursuant to Section 9.10.

(b) Effective from and after the Broadcast Merger Effective Time, Newco hereby indemnifies Scripps, its Subsidiaries (including after the Broadcast Merger Effective Time, Journal and its Subsidiaries) and their respective Affiliates and successors and assigns (the "Scripps Indemnified Parties") against, and agrees to hold each of them harmless from, any and all Damages incurred or suffered by such Scripps Indemnified Parties arising out of, relating to or resulting from:

(i) the Scripps Newspaper Group, the Scripps Newspaper Assets, the Scripps Newspaper Liabilities, the Journal Newspaper Group, the Journal Newspaper Assets or the Journal Newspaper Liabilities;

(ii) any breach of any covenant or agreement of Newco contained in this Agreement that survives the Broadcast Merger Effective Time pursuant to Section 14.01; or

(iii) any additional withdrawal liability with respect to any mass withdrawal of employers from the GCIU – Employers Retirement Fund payable by Newco pursuant to Section 9.10 or any subsequent assessment of reallocation or redetermination liability by reason of such mass withdrawal and any associated excise tax arising under Section 4971(g) of the Code after the complete withdrawal of Scripps from the Fund.

(c) Neither Scripps nor Newco shall be liable to any Newco Indemnified Party or Scripps Indemnified Party, as the case may be, for any punitive, incidental, consequential, special or indirect damages, including business interruption, loss of profit or loss of future revenue.

(d) The indemnification provisions contained in (i) the Tax Matters Agreements (and not Sections 14.02, 14.03 and 14.04) shall apply to any Damages with respect to any Tax liability or Tax asset allocated to any Person pursuant to the Tax Matters Agreements and (ii) the Employee Matters Agreement (and not Sections 14.02, 14.03 and 14.04) shall apply to any obligation from and after the Effective Time of any Person pursuant to the Employee Matters Agreement.

Section 14.03 *Indemnification Procedures*.

(a) The party hereto seeking indemnification under Section 14.02 (the “Indemnified Party”) agrees to give prompt notice to the party hereto against whom indemnity is sought (the “Indemnifying Party”) of the assertion of any claim, or the commencement of any suit, Action or proceeding (each, a “Claim”) in respect of which indemnity may be sought under such Section and will provide the Indemnifying Party such information with respect thereto that the Indemnifying Party may reasonably request. The failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent such failure shall have actually materially prejudiced the Indemnifying Party.

(b) The Indemnifying Party shall have the right, at its option, exercisable within thirty (30) days after receipt of such notice to assume the defense of, at its own expense and by its own counsel (which counsel shall be reasonably satisfactory to the Indemnified Party), any matter involving the asserted liability of the Indemnified Party (“Asserted Liabilities”), subject to the limitations set forth herein. If the Indemnifying Party shall undertake to compromise, settle or defend any such Asserted Liability, it shall promptly notify the Indemnified Party of its intention to do so, and the Indemnified Party agrees to cooperate fully with the Indemnifying Party and its counsel in the compromise or settlement of, or defense against, any such Asserted Liability; provided, however, that the Indemnifying Party shall not settle any such Asserted Liability without the written consent of the Indemnified Party unless such settlement releases the Indemnified Party from all liabilities and obligations with respect to the Asserted Liability and the settlement does not impose injunctive or other equitable relief against the Indemnified Party. Notwithstanding an election by the Indemnifying Party to assume the defense of such action or proceeding, the Indemnified Party shall have the right to employ separate counsel and to participate in the defense of such action or proceeding at its own expense. Notwithstanding anything herein to the contrary, the Indemnifying Party shall not be entitled to assume control of such defense but shall pay for the reasonable fees, costs and expenses of the Indemnified Party’s legal counsel, which counsel shall be reasonably satisfactory to the Indemnifying Party, if (i) the claim for indemnification relates to or arises in connection with any criminal proceeding, action, indictment, allegation or investigation, (ii) the Indemnified Party has been advised by counsel that a reasonable likelihood exists of a conflict of interest between the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, or (iii) the Indemnifying Party failed or is failing to prosecute or defend such claim. If the Indemnified Party shall undertake to compromise, settle or defend any Asserted Liability in accordance with the immediately preceding sentence or after the Indemnifying Party has declined to exercise its option to assume the defense of an Asserted Liability, the Indemnified Party shall promptly notify the Indemnifying Party of its intention to do so, and the Indemnifying Party agrees to cooperate fully with the Indemnified Party and its counsel in the compromise or settlement of, or defense against, any such Asserted Liability; provided, however, that the Indemnified Party shall not settle any such Asserted Liability without the written consent of the Indemnifying Party, which such consent shall not be unreasonably withheld, conditioned or delayed.

(c) Each party hereto shall cooperate, and cause their respective Affiliates to cooperate, in the defense or prosecution of any Claim by a Third Party and shall furnish or cause to be furnished such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials or appeals, as may be reasonably requested in connection therewith.

Section 14.04 *Calculation of Damages*. Any Damages payable by an Indemnifying Party pursuant to Section 14.02 shall be (a) reduced by any proceeds recovered by the Indemnified Party under applicable insurance policies, net of any costs incurred by the Indemnified Party in obtaining such proceeds, (b) reduced by any indemnity, contribution or other similar payment paid to the Indemnified Party by any Third Party with respect to such Damages, net of any costs incurred by the Indemnified Party in obtaining such payment and (c) reduced by an amount equal to any net tax benefit actually realized by the Indemnified Party as a consequence of such Damages. If an Indemnified Party receives a payment required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives insurance proceeds, then the Indemnified Party will pay to the Indemnifying Party an amount equal to the excess of the payment received over the amount of the payment that would have been due if the insurance proceeds had been received, realized or recovered before the payment was made by the Indemnifying Party.

Section 14.05 *Release of Pre-Closing Date Claims*.

(a) Except as provided in Section 14.05(c), effective as of the Broadcast Merger Effective Time, Newco, for itself and each of its Subsidiaries (including each Newspaper Entity) and their respective Affiliates, successors, assigns, shareholders, directors, officers, members, agents and employees, hereby remises, releases and forever discharges Scripps and Journal and their respective Subsidiaries (other than the Scripps Newspaper Entities and the Journal Newspaper Entities, respectively), their respective Affiliates, successors, assigns, shareholders, directors, officers, members, agents and employees, and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any Contract, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed at or before the Broadcast Merger Effective Time, whether or not known as of the Broadcast Merger Effective Time, including in connection with the Transactions.

(b) Except as provided in Section 14.05(c), effective as of the Broadcast Merger Effective Time, each of Scripps and Journal, for itself and each of its Subsidiaries (other than any Scripps Newspaper Entity or Journal Newspaper Entity) and their respective Affiliates, successors, assigns, shareholders, directors, officers, members, agents and employees, hereby remises, releases and forever discharges each of Newco and its Subsidiaries (including the Scripps Newspaper Entities and Journal Newspaper Entities), their respective Affiliates, successors, assigns, shareholders, directors, officers, members, agents and employees, and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever, whether at law or in equity (including any right of contribution), whether arising under any Contract, by operation of law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed at or before the Broadcast Merger Effective Time, whether or not known as of the Broadcast Merger Effective Time, including in connection with the Transactions.

(c) Nothing contained in Sections 14.05(a) or 14.05(b) shall impair any right of any Person to enforce this Agreement (including the indemnification rights of each party hereto under this Article 14) or any other Transaction Agreement or any Contracts that are specified in Sections 2.05(b) or 3.05(b) as surviving the Closing Date, in each case in accordance with its terms. Nothing contained in Sections 14.05(a) or 14.05(b) shall release any Person from:

(i) any Liability provided in or resulting from any Contract among Scripps or its Subsidiaries or Journal or its Subsidiaries, on the one hand, and Newco or its Subsidiaries (including the Scripps Newspaper Entities and the Journal Newspaper Entities), on the other hand, that is specified in Sections 2.05(b) or 3.05(b) as surviving the Closing Date, or any other Liability specified in such Sections as surviving the Closing Date; or

(ii) any Liability, contingent or otherwise, assumed, transferred, assigned or allocated to Scripps, Journal, Newco, the Scripps Newspaper Entities, the Journal Newspaper Entities or any of their respective Subsidiaries in accordance with, or any other Liability of any such Person under, the Transaction Agreements.

(d) If an Indemnified Party receives any payment from an Indemnifying Party in respect of Damages and the Indemnified Party could have recovered all or a part of such Damages from a Third Party based on the underlying claim or demand asserted against it, then such Indemnified Party shall transfer such of its rights to proceed against such Third Party as are necessary to permit such Indemnifying Party to recover from such Third Party the amount of such payment.

Section 14.06 *Exclusivity*. After the Broadcast Merger Effective Time, this Article 14 (or the Tax Matters Agreements or the Employee Matters Agreement, as the case may be) will provide the exclusive remedy for any claims by or against Newco or its Subsidiaries, on the one hand, or by or against Scripps, Journal or any of their respective Subsidiaries or Affiliates, on the other hand, arising as a result of or in connection with this Agreement and the Transactions (other than any remedy provided in any of the other applicable Transaction Agreements), except that nothing herein shall limit the liability of any party hereto for fraud or intentional misrepresentation.

## ARTICLE 15 MISCELLANEOUS

### Section 15.01 *Representations and Warranties*.

(a) For purposes of determining whether any representation or warranty of Scripps contained in Article 7 is untrue or incorrect for any purpose under this Agreement, or whether Scripps shall have breached any such representation or warranty as a result of any such untruth or incorrectness for any purpose under this Agreement (for the avoidance of doubt, in each case, including for the purpose of determining whether such representation or warranty is true and correct when made and for purposes of determining whether such representation or warranty can be made on and as of the Closing Date or as of the date specified therein), the following standards shall apply:

(i) the representation and warranty contained in Section 7.10(b) shall be deemed to be untrue and incorrect if such representation and warranty is untrue or incorrect in any respect;

(ii) any representation and warranty contained in Section 7.05 shall be deemed to be untrue and incorrect only if such representation and warranty is untrue or incorrect in any material respect (disregarding for this purpose any reference to materiality or Material Adverse Effect contained in any such representation or warranty); and

(iii) any such representation and warranty (other than those referred to in clause (i) or (ii) above) shall be deemed to be untrue or incorrect only if the fact, circumstance, change or event that resulted in such untruth or incorrectness, individually or when taken together with all other facts, circumstances, changes or events that result in any and all other untruth or incorrectness in the representations and warranties contained in Article 7 (other than those referred to in clause (i) or (ii) above), either (A) has had or would reasonably be expected to have, a Scripps Material Adverse Effect

(disregarding for this purpose any reference to materiality or Material Adverse Effect contained in any such representation or warranty) or (B) would materially delay or materially impede or preclude the ability of Scripps to perform its obligations hereunder or its ability to consummate the Transactions.

(b) For purposes of determining whether any representation or warranty of Journal contained in Article 8 is untrue or incorrect for any purpose under this Agreement, or whether Journal shall have breached any such representation or warranty as a result of any such untruth or incorrectness for any purpose under this Agreement (for the avoidance of doubt, in each case, including for the purpose of determining whether such representation or warranty is true and correct when made and for purposes of determining whether such representation or warranty can be made on and as of the Closing Date or as of the date specified therein), the following standards shall apply:

(i) the representation and warranty contained in Section 8.10(b) shall be deemed to be untrue and incorrect if such representation and warranty is untrue or incorrect in any respect;

(ii) any representation and warranty contained in Section 8.05 shall be deemed to be untrue and incorrect only if such representation and warranty is untrue or incorrect in any material respect (disregarding for this purpose any reference to materiality or Material Adverse Effect contained in any such representation or warranty); and

(iii) any such representation and warranty (other than those referred to in clause (i) or (ii) above) shall be deemed to be untrue or incorrect only if the fact, circumstance, change or event that resulted in such untruth or incorrectness, individually or when taken together with all other facts, circumstances, changes or events that result in any and all other untruth or incorrectness in the representations and warranties contained in Article 8 (other than those referred to in clause (i) or (ii) above), either (A) has had or would reasonably be expected to have, a Journal Material Adverse Effect (disregarding for this purpose any reference to materiality or Material Adverse Effect contained in any such representation or warranty) or (B) would materially delay or materially impede or preclude the ability of Journal to perform its obligations hereunder or its ability to consummate the Transactions.

Section 15.02 *Notices*. All notices, requests, claims, demands, waivers and other communications to any party hereto hereunder shall be in writing (including facsimile transmission) and shall be given,

If to Scripps or its Subsidiaries, to:                   The E. W. Scripps  
Company  
312 Walnut Street, 28<sup>th</sup> Floor  
Cincinnati, Ohio 45202  
Attention: Robin Davis  
Vice President, Strategic Planning and Development  
Facsimile: (513) 977-3024

with a copy to:   Scripps Media, Inc.  
312 Walnut Street, 28<sup>th</sup> Floor  
Cincinnati, Ohio 45202  
Attention: William Appleton,  
Senior Vice President and General Counsel  
Facsimile: (513) 977-3042

with a copy (which shall  
not constitute notice) to:                         Baker & Hostetler LLP  
45 Rockefeller Plaza  
New York, New York 10111  
Attention: Steven H. Goldberg  
Facsimile: (212) 589-4201

If to Journal or its Subsidiaries, to:               Journal Communications,  
Inc.  
333 West State Street  
Milwaukee, Wisconsin 53203

Attention: Steven J. Smith  
Chairman of the Board and Chief Executive Officer  
Facsimile: (414) 224-2469

with a copy to:

Journal Communications,  
Inc.  
333 West State Street  
Milwaukee, Wisconsin 53203  
Attention: Mary Hill Taibl  
Senior Vice President, General Counsel, Secretary and Chief Compliance Officer  
Facsimile: (414) 224-2469

with a copy (which shall

not constitute notice) to:

Foley & Lardner, LLP  
777 East Wisconsin Avenue  
Milwaukee, WI 53202-5306  
Attention: Benjamin F. Garmer III  
Russell E. Ryba  
Facsimile: (414) 297-4900

If to Newco, to:

to an address or facsimile  
number as such party may  
hereafter specify for the  
purpose by notice in  
writing to the other parties  
hereto.

or, in the case of any party hereto, to such other address or facsimile number as such party may hereafter specify for the purpose by notice in writing to the other parties hereto. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. on a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed to have been received on the next succeeding Business Day in the place of receipt.

Section 15.03 *Amendments and Waivers.*

(a) Any provision of this Agreement may be amended or waived prior to the Newspaper Merger Effective Time or Broadcast Merger Effective Time, as the case may be, if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement or, in the case of a waiver, by each party hereto against whom the waiver is to be effective; provided, however, that (a) after receipt of the Scripps Shareholder Approval, there shall be made no amendment that by Applicable Law requires further approval by the shareholders of Scripps without the further approval of such shareholders, (b) after receipt of the Journal Shareholder Approval, there shall be made no amendment that by Applicable Law requires further approval by the shareholders of Journal without the further approval of such shareholders, and (c) except as provided above, no amendment of this Agreement shall require the approval of the shareholders of Scripps or the shareholders of Journal.

(b) No failure or delay by any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Applicable Law.

Section 15.04 *Fees and Expenses.* Except as otherwise expressly provided in any Transaction Agreement (including pursuant to Section 13.03 or 13.04), all fees and expenses incurred in connection with this Agreement shall be paid by the party hereto incurring such fee or expense. Any fees and expenses for which Newco is responsible but that are incurred and must be paid prior to the Newspaper Merger Effective Time shall be paid by Scripps and Journal, with each of Scripps and Journal paying one-half of such fees and expenses.

Section 15.05 *Disclosure Schedule References.* Any information disclosed in any Section of the Scripps Disclosure Schedule or the Journal Disclosure Schedule shall qualify the correspondingly numbered representation and warranty or covenant of this Agreement and any other representation and warranty or covenant of Scripps or Journal, as



applicable, contained in this Agreement to the extent that the relevance of any such disclosure to such other representation and warranty or covenant is reasonably apparent from the content and context of such disclosure. The fact that any item of information is disclosed in any Section of the Scripps Disclosure Schedule or the Journal Disclosure Schedule shall not be construed to mean that such information is required to be disclosed by this Agreement. Such information and any dollar thresholds set forth herein shall not be used as a basis for interpreting the terms “material” or “Material Adverse Effect” or other similar terms in this Agreement, except as otherwise expressly set forth in the applicable Disclosure Schedules. Matters set forth in the Disclosure Schedules are not necessarily limited to matters required by this Agreement to be reflected therein. Such additional matters are set forth for informational purposes and do not necessarily include other matters of a similar nature.

Section 15.06 *Binding Effect; Benefit; Assignment.*

(a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns except that, following the Broadcast Merger Effective Time, (i) each D&O Indemnified Person is a third party beneficiary of the provisions set forth in Section 11.14, (ii) each Newco Indemnified Party and Scripps Indemnified Party is a third party beneficiary of the indemnification provisions set forth in Article 14 and (iii) each specified beneficiary of the releases set forth in Section 14.05 is a third party beneficiary of such Section.

(b) No party hereto may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement, by operation of Applicable Law or otherwise, without the prior written consent of each other party hereto. Any purported assignment without such consent shall be void.

Section 15.07 *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of law rules of such state, except to the extent that the DGCL, ORC, the WBCL and the Wisconsin LLC Act mandatorily apply and govern certain of the Transactions.

Section 15.08 *Waiver of Jury Trial.* EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THE TRANSACTION AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY.

Section 15.09 *Counterparts; Effectiveness.* This Agreement may be signed in any number of counterparts, each of which shall be deemed an original and all of which shall be considered one and the same agreement. This Agreement shall become effective when one or more counterparts have been signed by each of the parties hereto and delivered to Scripps and Journal.

Section 15.10 *Entire Agreement.* This Agreement, the other Transaction Agreements and the Confidentiality Agreement constitute the entire agreement between the parties hereto with respect to the subject matter of this Agreement and supersede all prior agreements and understandings, both oral and written, between the parties hereto with respect to the subject matter of this Agreement. The Confidentiality Agreement shall automatically terminate at the Broadcast Merger Effective Time. Unless and until the Broadcast Merger Effective Time has occurred, the Confidentiality Agreement shall remain in full force and effect and survive any termination of this Agreement in accordance with its terms.

Section 15.11 *Severability.* If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the Transactions is not affected in any manner materially adverse to any party hereto. Upon such a determination, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner in order that the Transactions be consummated as originally contemplated to the fullest extent possible.

Section 15.12 *Specific Performance.* The parties hereto agree that irreparable damage would occur if any provision of any Transaction Agreement was not performed in accordance with its specific terms or was otherwise breached and that any non-performance or breach of any Transaction Agreement by any party hereto could not be adequately compensated by monetary damages alone and that the parties hereto would not have any adequate remedy at law. It is accordingly agreed that the parties hereto shall be entitled to an injunction or injunctions to prevent breaches of any Transaction Agreement and to enforce specifically the terms and provisions hereof and of each other Transaction Agreement in any federal or state court without posting any bond or other undertaking, in addition to any other remedy to which they are entitled at law or in equity.

Section 15.13 *Non-Exclusive Jurisdiction*. Each of the parties hereto (a) consents to submit itself to the non-exclusive personal jurisdiction of the state courts of State of New York, County of New York and of the federal courts located in the United States District Court for the Southern District of New York (and the appellate courts thereof), in the event any dispute arises out of any Transaction Agreement or any Transaction and (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court.

Section 15.14 *Certain Legal Matters*.

(a) The parties hereto acknowledge that Baker & Hostetler LLP has represented Scripps in connection with the Transactions. The parties hereto hereby consent to the representation by Baker & Hostetler LLP of Scripps or any of its Affiliates in any future matter including post-closing disputes concerning any Transaction Agreement and all Transactions.

(b) The parties hereto acknowledge that Foley & Lardner LLP has represented Journal in connection with the Transactions. The parties hereto hereby consent to the representation by Foley & Lardner LLP of Newco or any of its Affiliates in any future matter including post-closing disputes concerning any Transaction Agreement and all Transactions.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

THE E. W. SCRIPPS COMPANY

SCRIPPS MEDIA, INC.

By: /s/ Richard A. Boehne  
Name: Richard A. Boehne  
Title: President and Chief Executive Officer

By: /s/ William Appleton  
Name: William Appleton  
Title: Senior Vice President and General Counsel

DESK SPINCO, INC.

DESK NP OPERATING, LLC

By: /s/ Richard A. Boehne  
Name: Richard A. Boehne  
Title: Chief Executive Officer

By: /s/ Richard A. Boehne  
Name: Richard A. Boehne  
Title: Chief Executive Officer

DESK BC MERGER, LLC

JOURNAL COMMUNICATIONS, INC.

By: /s/ Richard A. Boehne  
Name: Richard A. Boehne  
Title: Chief Executive Officer

By: /s/ Steven J. Smith  
Name: Steven J. Smith  
Title: Chairman and Chief Executive Officer

BOAT SPINCO, INC.

BOAT NP NEWCO, INC.

By: /s/ Steven J. Smith  
Name: Steven J. Smith  
Title: Chief Executive Officer

By: /s/ Steven J. Smith  
Name: Steven J. Smith  
Title: Chief Executive Officer

DESK NP MERGER CO.

BOAT NP MERGER CO.

By: /s/ Richard A. Boehne  
Name: Richard A. Boehne  
Title: Chief Executive Officer

By: /s/ Steven J. Smith  
Name: Steven J. Smith  
Title: Chief Executive Officer

[Signature Page to Master Transaction Agreement]

**EMPLOYEE MATTERS AGREEMENT**

**Dated as of July 30, 2014**

**by and among**

**The E.W. Scripps Company,  
Desk Spinco, Inc.,  
Desk NP Operating, LLC,  
Journal Communications, Inc.,  
Boat Spinco, Inc., and  
Boat NP Newco, Inc.**

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Scripps Retiree Medical Program	Exhibit C
Journal Retiree Medical Program	Exhibit D

## EMPLOYEE MATTERS AGREEMENT

THIS EMPLOYEE MATTERS AGREEMENT (this "Agreement"), dated July 30, 2014, is by and among The E.W. Scripps Company, an Ohio corporation ("Scripps"), Desk Spinco, Inc., a Wisconsin corporation ("Scripps Spinco"), Desk NP Operating, LLC, a Wisconsin limited liability company and wholly owned subsidiary of Scripps Spinco ("SNOC"), Journal Communications, Inc., a Wisconsin corporation ("Journal"), Boat Spinco, Inc., a Wisconsin corporation ("Journal Spinco"), and Boat NP Newco, Inc., a Wisconsin corporation ("Newco").

WHEREAS, the Board of Directors of Scripps has determined that it is advisable and in the best interests of Scripps and its shareholders to separate the Scripps Newspaper Business pursuant to the Scripps Newspaper Distribution, and the Board of Directors of Journal has determined that it is advisable and in the best interests of Journal and its shareholders to separate the Journal Newspaper Business pursuant to the Journal Newspaper Distribution, in each case on the terms and for the reasons set forth in the MTA;

WHEREAS, the Board of Directors of Scripps has determined that it is advisable and in the best interests of Scripps and its shareholders to effect the Scripps Newspaper Merger immediately following the Scripps Newspaper Distribution, on the terms set forth in the MTA;

WHEREAS, the Board of Directors of Journal has determined that it is advisable and in the best interests of Journal and its shareholders to effect the Journal Newspaper Merger immediately following the Journal Newspaper Distribution, on the terms set forth in the MTA;

WHEREAS, the Boards of Directors of Scripps and Journal have determined that it is advisable and in the respective best interests of Scripps and Journal and their respective shareholders to effect the Broadcast Merger immediately following the Newspaper Mergers, on the terms set forth in the MTA; and

WHEREAS, pursuant to the MTA, the Parties have agreed to enter into this Agreement for the purpose of allocating Assets, Liabilities and responsibilities with respect to certain employee compensation and benefit plan programs and arrangements, and certain employment matters between and among them.

NOW, THEREFORE, in consideration of the premises and of the respective agreements and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

### ARTICLE I DEFINITIONS

SECTION 1.01 In General. Capitalized terms used herein without definition shall have the meanings assigned to them in the MTA.

SECTION 1.02 Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

"Active Transferring Journal Employee" means a Transferring Journal Employee who, as of immediately prior to the Journal Newspaper Distribution, is then a current employee of Journal or its Subsidiaries, except any employee on a Leave of Absence. A Transferring Journal Employee shall become an Active Transferring Journal Employee upon coming off such Leave of Absence.

"Active Transferring Scripps Employee" means a Transferring Scripps Employee who, as of immediately prior to the Scripps Newspaper Distribution, is then a current employee of Scripps or its Subsidiaries, except any employee on a Leave of Absence. A Transferring Scripps Employee shall become an Active Transferring Scripps Employee upon coming off such Leave of Absence.

"Agreement" shall have the meaning ascribed thereto in the preamble to this Agreement, including all the exhibits and schedules hereto, and all amendments made hereto from time to time.

"Asserted Liability" shall have the meaning ascribed thereto in Section 10.03 of this Agreement.

"Claim" shall have the meaning ascribed thereto in Section 10.03 of this Agreement.

“Designated Participant” means a Former Scripps Employee or Transferring Scripps Employee whose employment terminates between the date hereof and the Closing Date in connection with the Transactions, as determined by Scripps in its sole discretion, and who has been designated by Scripps as a Designated Participant on Section 1.01 of the Schedules hereto, as such Schedule may be updated from time to time prior to the Closing Date, under the heading “Designated Participants”.

“DOL” means the United States Department of Labor.

“Former Journal Employee” means, (a) as of the Closing Date, any former employee of Journal or a Subsidiary or Affiliate of Journal, including retired, deferred vested, non-vested and other inactive terminated individuals, and (b) after the Closing Date, any employee of Scripps Broadcast Surviving LLC or a Subsidiary or Affiliate of Scripps Broadcast Surviving LLC, whose employment therewith terminates after the Closing Date for any reason. Notwithstanding the foregoing, a Transferring Journal Employee shall not be a “Former Journal Employee.”

“Former Journal Nonqualified Plan Participants” shall have the meaning ascribed thereto in Section 6.02 of this Agreement.

“Former Journal Severance and Retention Plan Participants” shall have the meaning ascribed thereto in Section 8.06 of this Agreement.

“Former Scripps Employee” means, (a) as of the Closing Date, any former employee of Scripps or a Subsidiary or Affiliate of Scripps, including retired, deferred vested, non-vested and other inactive terminated individuals, and (b) after the Closing Date, any employee of Scripps or a Subsidiary or Affiliate of Scripps, whose employment therewith terminates after the Closing Date for any reason. Notwithstanding the foregoing, a Transferring Scripps Employee shall not be a “Former Scripps Employee.”

“Former Scripps Executive CIC Plan Participants” shall have the meaning ascribed thereto in Section 8.03 of this Agreement.

“Former Scripps Executive Severance Plan Participants” shall have the meaning ascribed thereto in Section 8.04 of this Agreement.

“Former Scripps Nonqualified Plan Participants” shall have the meaning ascribed thereto in Section 6.01 of this Agreement.

“HIPAA” means the Health Insurance Portability and Accountability Act of 1996, as amended, and the regulations promulgated thereunder.

“HSA” shall have the meaning ascribed thereto in Section 5.08 of this Agreement.

“Indemnified Parties” shall have the meaning ascribed thereto in Section 10.02 of this Agreement.

“Indemnifying Party” shall have the meaning ascribed thereto in Section 10.03 of this Agreement.

“Information” shall mean all information, whether in written, oral, electronic or other tangible or intangible forms, stored in any medium, including non-public financial information, studies, reports, records, books, accountants’ work papers, contracts, instruments, flow charts, data, communications by or to attorneys, memos and other materials prepared by attorneys and accountants or under their direction (including attorney work product) and other financial, legal, employee or business information or data.

“Journal” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Journal 401(k) Plan” means the Journal Communications, Inc. 401(k) Plan.

“Journal Broadcast Employees” means all current and former employees of Journal and its Subsidiaries, other than Active Transferring Journal Employees and Journal Newspaper Leave Employees.

“Journal Broadcast Employee Reimbursement Account Plan” shall have the meaning ascribed thereto in Section 5.05 of this Agreement.

“Journal Compensation Committee” means the Compensation Committee of the Board of Directors of Journal.

“Journal Employee” means any individual who, immediately following the Broadcast Merger Effective Time, will be an employee of Scripps Broadcast Surviving LLC or a Subsidiary or Affiliate thereof, including active employees and employees on



vacation and approved leave of absence (including maternity, paternity, family, paid time off, sick, short-term or long-term disability leave, qualified military service under the Uniformed Services Employment and Reemployment Rights Act of 1994, and leave under the Family and Medical Leave Act and other approved leaves).

“Journal Employee Stock Purchase Plan” means the Journal Communications, Inc. 2003 Employee Stock Purchase Plan.

“Journal ESPP Suspension Date” shall have the meaning ascribed to it in Section 8.02(b) of this Agreement.

“Journal Newspaper Benefit Plan” means any Benefit Plan sponsored or maintained solely by a Journal Newspaper Entity.

“Journal Newspaper Leave Employees” means Transferring Journal Employees who do not become Active Transferring Journal Employees on the Journal Newspaper Distribution Date by reason of being on a Leave of Absence.

“Journal Newspaper Merger Sub” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Journal Nonqualified Plans” means, collectively, the Journal Communications, Inc. Non-Qualified Deferred Compensation Plan and the Journal Communications, Inc. Supplemental Benefit Plan.

“Journal Participant” means any individual who, immediately following the Broadcast Merger Effective Time is a Journal Employee, a Former Journal Employee or a beneficiary, dependent or alternate payee of any of the foregoing.

“Journal Performance Units” means the outstanding grants of performance-based restricted units, which represent the general unsecured promise by Journal to deliver a certain number of shares of Journal Class B Common Stock in the future, granted pursuant to a Journal Share Plan.

“Journal Restricted Shares” means the outstanding grants of restricted Journal Common Stock granted under the Journal Share Plans.

“Journal Retiree Program” has the meaning ascribed to it in Section 5.04(c)(ii) of this Agreement.

“Journal Retirement Plan” means the Journal Communications, Inc. Employees Pension Plan.

“Journal SARs” means the outstanding grants of stock appreciation rights with respect to Journal Common Stock granted under the Journal Share Plans.

“Journal Share Plans” means the Journal Communications, Inc. 2003 Equity Incentive Plan, as amended, and the Journal Communications, Inc. 2007 Omnibus Incentive Plan and any other stock option or stock incentive compensation plan or arrangement maintained before the Closing Date for employees, officers, non-employee directors or other independent contractors of Journal or its Subsidiaries or Affiliates, as amended (exclusive of the Journal Employee Stock Purchase Plan).

“Journal Severance and Retention Plan” shall have the meaning ascribed to it in Section 8.06 of this Agreement.

“Journal Spinco” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Journal Welfare Plans” shall have the meaning ascribed thereto in Section 5.01 and Exhibit A of this Agreement.

“Leave of Absence” means an approved absence from work, paid or unpaid, including without limitation, by reason of an employee’s qualification for short term disability benefits, long term disability benefits, managed disability benefits, sick pay, paid time off (not including vacation), medical, personal or other approved leave of absence, other than “intermittent leave”. The term “intermittent leave” means that the employee still is working, intermittently, during the period of Leave of Absence.

“Memphis Plans” means (i) Newspaper Guild of Memphis Retirement Income Plan; (ii) Retirement Benefit Plan of Memphis Publishing Company & Graphics Communications Conference/International Brotherhood of Teamsters Local 777-M; and (iii) Retirement Benefit Plan of Memphis Publishing Company & Memphis Mailers Union No. M-119.

“Mirror Journal Retiree Program” shall have the meaning ascribed thereto in Section 5.04(c) of this Agreement.

“Mirror Journal Welfare Plans” shall have the meaning ascribed thereto in Section 5.03(a) of this Agreement.

“Mirror Scripps Retiree Medical Program” shall the meaning ascribed thereto in Section 5.04(c) of this Agreement.

“Mirror Scripps Welfare Plans” shall have the meaning ascribed thereto in Section 5.03(a) of this Agreement.

“MTA” means the Master Transaction Agreement, dated July 31, 2014, among the Parties and the other parties named therein.

“Newco” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Newco Benefit Plan” means any Benefit Plan sponsored, maintained or contributed to, or required to be sponsored, maintained or contributed to, by Newco or any of its Subsidiaries.

“Newco Director” means any individual who is a current director of Newco as of the Closing Date.

“Newco Employee” means any individual who, immediately following the Newspaper Merger Effective Time, will be an employee of Newco or a Subsidiary or Affiliate thereof, including active employees and employees on vacation and approved leave of absence (including maternity, paternity, family, sick, short-term or long-term disability leave, qualified military service under the Uniformed Services Employment and Reemployment Rights Act of 1994, and leave under the Family and Medical Leave Act and other approved leaves).

“Newco Group” means, immediately following the Newspaper Merger Effective Time, Newco, the Journal Newspaper Entities, the Scripps Newspaper Entities, and any of their respective Subsidiaries or Affiliates.

“Newco Indemnified Parties” shall have the meaning ascribed thereto in Section 10.02 of this Agreement.

“Newco Journal Mirror Nonqualified Plans” shall have the meaning ascribed thereto in Section 6.02 of this Agreement.

“Newco Journal Mirror Severance and Retention Plan” shall have the meaning ascribed thereto in Section 8.06 of this Agreement.

“Newco Journal Mirror Severance and Retention Plan Period” shall have the meaning ascribed to it in Section 8.06 of this Agreement.

“Newco Journal Welfare Plans” shall have the meaning ascribed thereto in Section 5.03(a) of this Agreement.

“Newco 401(k) Plan” means the tax qualified 401(k) plan established by Newco in accordance with Section 4.01 of this Agreement.

“Newco Participant” means any individual who, immediately following the Newspaper Merger Effective Time, is a Newco Employee or a beneficiary, dependent, or alternate payee thereof.

“Newco Retiree Program” has the meaning ascribed to it in Section 5.04(c).

“Newco Scripps Mirror Executive CIC Plan” shall have the meaning ascribed thereto in Section 8.03 of this Agreement.

“Newco Scripps Mirror Executive CIC Plan Period” shall have the meaning ascribed thereto in Section 8.03 of this Agreement.

“Newco Scripps Mirror Executive Severance Plan” shall have the meaning ascribed thereto in Section 8.04 of this Agreement.

“Newco Scripps Mirror Executive Severance Plan Period” shall have the meaning ascribed to it in Section 8.04 of this Agreement.

“Newco Scripps Mirror Nonqualified Plans” shall have the meaning ascribed thereto in Section 6.01 of this Agreement.

“Newco Scripps Mirror Retention Plan” shall have the meaning ascribed to it in Section 8.05 of this Agreement.

“Newco Scripps Mirror Retention Plan Period” shall have the meaning ascribed to it in Section 8.05 of this Agreement.

“Newspaper Leave Employees” means, collectively, the Scripps Newspaper Leave Employees and the Journal Newspaper Leave Employees.

“Nonqualified Plans” means, collectively, the Scripps Nonqualified Plans and the Journal Nonqualified Plans.

“Participating Company” means Scripps and any Person (other than an individual) participating in a Scripps Benefit Plan.

“Parties” means all of the parties to this Agreement, as set forth in the Preamble.

“PPACA” shall have the meaning ascribed thereto in Section 5.07(f) of this Agreement.

“Prior Plan” shall have the meaning ascribed thereto in Section 2.01(f) of this Agreement.

“Retiree Medical Programs” means the Scripps Retiree Medical Program, the Journal Retiree Program, and the Newco Retiree Program.

“Scripps” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Scripps Broadcast Employees” means all current and former employees of Scripps and its Subsidiaries, other than Active Transferring Scripps Employees and Scripps Newspaper Leave Employees.

“Scripps Director” means any individual who is a current or former director of Scripps as of the Closing Date.

“Scripps Employee” means any individual who, immediately following the Broadcast Merger Effective Time, will be an employee of Scripps or a Subsidiary or Affiliate thereof, including active employees and employees on vacation and approved leave of absence (including maternity, paternity, family, sick, paid time off, short-term or long-term disability leave, qualified military service under the Uniformed Services Employment and Reemployment Rights Act of 1994, and leave under the Family and Medical Leave Act and other approved leaves).

“Scripps Employee Reimbursement Account Plan” has the meaning ascribed to it in Section 5.05 of this Agreement.

“Scripps Employee Stock Purchase Plan” means The E.W. Scripps Company Employee Stock Purchase Plan.

“Scripps ESPP Suspension Date” shall have the meaning ascribed to it in Section 8.02(a) of this Agreement.

“Scripps Executive CIC Plan” shall have the meaning ascribed to it in Section 8.03 of this Agreement.

“Scripps Executive Severance Plan” shall have the meaning ascribed to it in Section 8.04 of this Agreement.

“Scripps Group” means, as of the Broadcast Merger Effective Time, Scripps and each of its Subsidiaries (or any predecessor organization thereof), and any corporation or entity that may become part of such group from time to time thereafter. The Scripps Group shall not include any member of the Newco Group.

“Scripps Indemnified Parties” shall have the meaning ascribed thereto in Section 10.01 of this Agreement.

“Scripps Newspaper Benefit Plan” means any Benefit Plan sponsored or maintained solely by a Scripps Newspaper Entity or to which contributions are made or benefits accrued, with respect to a Scripps Transferring Employee.

“Scripps Newspaper Leave Employees” means Transferring Scripps Employees who do not become Active Transferring Scripps Employees on the Scripps Newspaper Distribution Date by reason of being on a Leave of Absence

“Scripps Newspaper Merger Sub” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Scripps Nonqualified Plans” means, collectively, the Scripps Executive Deferred Compensation Plan, the Scripps Transition Credit Plan, the Scripps Supplemental Executive Retirement Plan, and The E.W. Scripps Company Selected Employees Retirement Program (i.e., individual arrangements maintained by Scripps and its Affiliates for the benefit of retiring employees to provide deferred compensation payments following retirement, as documented in writing or on the books and records of Scripps).

“Scripps Option” means an option to purchase Scripps Class A Common Shares pursuant to a Scripps Share Plan.

“Scripps Participant” means any individual who, immediately following the Broadcast Merger Effective Time, is a Scripps Employee, a Former Scripps Employee or a beneficiary, dependent or alternate payee of any of the foregoing and who is not a Journal Participant.

“Scripps Phantom Stock Units” means a unit credited under The E.W. Scripps Company 1997 Deferred Compensation and Stock Plan for Directors representing a general unsecured promise by Scripps to deliver a certain number of Scripps Class A Common Shares (or the cash equivalent thereof) in the future.

“Scripps Post-Transaction Share Value” means the average of the volume weighted average of the trading price per share of Scripps Class A Common Shares trading on an “ex-distribution” basis as reported on the NYSE for the ten full NYSE trading days immediately following the Closing Date.

“Scripps Pre-Transaction Share Value” means the average of the volume weighted average of the trading price per share of Scripps Class A Common Shares trading on a “regular way” basis as reported on the NYSE for the ten full NYSE trading days immediately preceding the Closing Date.

“Scripps Property Plans” means the following defined benefit pension plans: (a) Knoxville Newspaper Editorial Retirement Income Plan; and (b) the Memphis Plans.

“Scripps Ratio” means the quotient obtained by dividing (a) the Scripps Post-Transaction Share Value, by (b) the Scripps Pre-Transaction Share Value.

“Scripps Reimbursement Account Plan” shall have the meaning ascribed thereto in Section 5.05 of this Agreement.

“Scripps Restricted Share Units” means the general unsecured promise by Scripps to deliver a certain number of Scripps Class A Common Shares in the future pursuant to a Scripps Share Plan.

“Scripps Retention Plan” shall have the meaning ascribed to it in Section 8.05 of this Agreement.

“Scripps Retiree Medical Program” shall have the meaning ascribed thereto in Section 5.04(c)(i) of this Agreement and described in Exhibit C.

“Scripps Retirement Plan” means the Scripps Pension Plan (including the Scripps Group Pension Plan).

“Scripps RIP” means the Scripps Retirement and Investment Plan, (including the Scripps Group Retirement and Investment Plan With Match, and the Scripps Group Retirement and Investment Plan Without Match).

“Scripps Share Plans” means, collectively, The E.W. Scripps Company 2010 Long-Term Incentive Plan, The E.W. Scripps Company Amended and Restated 1997 Long-Term Incentive Plan, The E.W. Scripps 1997 Deferred Compensation and Stock Plan for Directors, and any other stock option or stock incentive compensation plan or arrangement maintained before the Closing Date for employees, officers, non-employee directors or other independent contractors of Scripps or its Subsidiaries or Affiliates, as amended (exclusive of the Scripps Employee Stock Purchase Plan).

“Scripps Spinco” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Scripps Welfare Plans” shall have the meaning ascribed thereto in Section 5.02 of this Agreement.

“Successor Plan” shall have the meaning ascribed thereto in Section 2.01(f) of this Agreement.

“SNOC” shall have the meaning ascribed thereto in the preamble to this Agreement.

“Third-Party Claim” shall have the meaning ascribed thereto in Section 10.03(a) of this Agreement.

“Transferred Employees Reimbursement Account Plan” shall have the meaning ascribed thereto in Section 5.05 of this Agreement.

“Transferring Journal Employee” except as otherwise provided in this Agreement, means any individual who, as of the Journal Newspaper Distribution, either (a)(i) is then a current employee of (including any full-time, part-time, temporary employee or an individual in any other employment relationship with), or then on a leave of absence (including, without limitation, paid or unpaid leave, disability, medical, personal or any other form of leave) from, any Journal Newspaper Entity and (ii) who is primarily employed in connection with the Journal Newspaper Business, or (b) has been designated by Journal as a Transferring Journal Employee on Section 1.01 of the Schedules hereto, subject to the consent of Scripps, which consent shall not unreasonably be withheld, delayed or conditioned, under the heading “Transferring Journal Employees.” A Transition Period Services Provider

shall not be considered a Transferring Journal Employee unless and until employed by Newco after the Transition Period End Date.

“Transferring Scripps Employee” means any individual who, as of the Scripps Newspaper Distribution, either (a)(i) is then a current employee of (including any full-time, part-time, temporary employee or an individual in any other employment relationship with), or then on a leave of absence (including, without limitation, paid or unpaid leave, disability, medical, personal or any other form of leave) from, any Scripps Newspaper Entity and (ii) who is primarily employed in connection with the Scripps Newspaper Business, or (b) has been designated by Scripps as a Transferring Scripps Employee on Section 1.01 of the Schedules hereto, subject to the consent of Journal, which consent shall not unreasonably be withheld, delayed or conditioned, under the heading “Transferring Scripps Employees.” A Transition Period Services Provider shall not be considered a Transferring Scripps Employee unless and until employed by Newco after the Transition Period End Date.

“Transition Credit” shall have the meaning ascribed to it in Section 6.03 of this Agreement.

“Transition Credit Contribution” shall have the meaning ascribed to it in Section 4.01(d) of this Agreement.

“Transition Period” means, with respect to each Scripps Benefit Plan in which any Newco Group member is a Participating Company, the period of time beginning on the Closing Date and ending on December 31, 2015, or such other ending date as may later be agreed upon by the Parties.

“Transition Period End Date” means the last day of the Transition Period.

“Transition Period Services Providers” shall have the meaning ascribed to it in Section 2.05 of this Agreement.

SECTION 1.03 General Interpretive Principles. Words in the singular shall include the plural and vice versa, and words of one gender shall include the other gender, in each case, as the context requires. The words “hereof,” “herein,” “hereunder,” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement and not to any particular provision of this Agreement, and references to Article, Section, paragraph, exhibit and schedule are references to the Articles, Sections, paragraphs, exhibits and schedules to this Agreement unless otherwise specified. The word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” unless otherwise specified. Any reference to any federal, state, local or non-U.S. statute or Applicable Law shall be deemed to also refer to all rules and regulations promulgated thereunder, unless the context otherwise requires.

## ARTICLE II GENERAL PRINCIPLES

### SECTION 2.01 Scripps Employee Matters.

(a) Effective not later than immediately before the Distribution Time, Scripps shall cause all Active Transferring Scripps Employees to become, or to continue to be, employees of a Scripps Newspaper Entity subject to the consent of Journal with respect to employee's "to become" employees of a Scripps Newspaper Entity which consent shall not be unreasonably delayed, conditioned or withheld. Scripps and its Subsidiaries shall not take any action that is not otherwise permitted under this Agreement or the MTA that would interfere with such employees so becoming employed, or so remaining employed, as the case may be, by a Scripps Newspaper Entity. As of the Scripps Newspaper Distribution, the Scripps Newspaper Entities shall have no employees other than the Active Transferring Scripps Employees. Transferring Scripps Employees, who at the time of the Scripps Newspaper Distribution are not Active Transferring Scripps Employees by reason of being on leave (as described in the definition of Active Transferring Scripps Employees) shall remain (or become) an employee of Scripps until medically cleared to return to work. Upon becoming medically cleared to return to work, the employee shall become an Active Transferring Scripps Employee and shall be hired by Newco.

(b) As of the Distribution Time, except as expressly provided in this Agreement or the MTA, Scripps and its Subsidiaries (other than the Scripps Newspaper Entities) shall assign to the Scripps Newspaper Entities, to the extent applicable, and the Scripps Newspaper Entities shall assume or retain, as applicable, and hereby agree to pay, perform, fulfill and discharge, (i) all Liabilities under all Scripps Newspaper Benefit Plans, (ii) all Liabilities incurred with respect to Active Transferring Scripps Employees under all Scripps Benefit Plans (excluding any such Liability that is a Scripps Broadcast Liability, including as set forth on Section 1.01 of the Scripps Disclosure Schedule to the MTA under the heading “Scripps Broadcast Liabilities” or as expressly retained by Scripps pursuant to this Agreement), (iii) all Liabilities with respect to the employment or termination of employment of all Active Transferring Scripps Employees, including those Liabilities arising out of or resulting from employment by Scripps or its Subsidiaries on or before the Closing Date and (iv) all Liabilities with respect to other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer,

agency employee, leased employee, on-call worker, incidental worker, or nonpayroll worker of Scripps or its Subsidiaries, or who is or was in any other employment, non-employment, retainer, or other relationship with Scripps or its Subsidiaries), to the extent arising in connection with or as a result of employment with or the performance of services for Scripps and its Subsidiaries in connection with the Scripps Newspaper Business. All Assets held in trust to fund and all insurance policies funding, any Liabilities expressly assumed or retained by Scripps Newspaper Entities pursuant to the operation of this Section 2.01(b) shall be Scripps Newspaper Assets, except to the extent specifically provided otherwise in this Agreement or the MTA.

(c) As of the Distribution Time, except as expressly provided in this Agreement or the MTA, Scripps and its Subsidiaries (other than the Scripps Newspaper Entities) shall assume or retain, as applicable, and Scripps hereby agrees to pay, perform, fulfill and discharge, (i) all Liabilities under all Scripps Benefit Plans not expressly assumed by the Scripps Newspaper Entities pursuant to Section 2.01(b)(ii) above, (ii) all Liabilities with respect to all Scripps Broadcast Employees under all Scripps Benefit Plans that are not Scripps Newspaper Liabilities, (iii) all Liabilities with respect to the employment or termination of employment of all Scripps Broadcast Employees, (iv) all Liabilities with respect to Scripps Newspaper Leave Employees (but only for the period of time that they remain Scripps Employees); (v) all Liabilities with respect to other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or nonpayroll worker of Scripps or its Subsidiaries, or who is or was in any other employment, non-employment, retainer or other relationship with Scripps or its Subsidiaries), to the extent arising in connection with or as a result of employment with or the performance of services for Scripps or its Subsidiaries in connection with any business other than the Scripps Newspaper Business and (vi) any other Liabilities expressly assigned to Scripps or its Subsidiaries (other than the Scripps Newspaper Entities) under this Agreement or the MTA, including the Scripps Broadcast Liabilities. All Assets held in trust to fund, and all insurance policies funding, any Liabilities expressly assumed or retained by Scripps and its Subsidiaries (other than the Scripps Newspaper Entities) pursuant to the operation of this Section 2.01(c) shall be Scripps Broadcast Assets, except to the extent specifically provided otherwise in this Agreement or the MTA.

(d) Notwithstanding anything in this Agreement or the MTA to the contrary, Scripps and its Subsidiaries (other than the Scripps Newspaper Entities) shall retain all Liabilities and Assets relating to health plan or insurance claims paid to or on behalf of Transferring Scripps Employees or their eligible spouses or dependents prior to the Closing Date under any health insurance plan or policy sponsored or maintained by Scripps or its Subsidiaries (other than the Scripps Newspaper Entities).

(e) Each Active Transferring Scripps Employee will receive service credit for all periods of employment with Scripps or any of its Subsidiaries or any predecessor thereof prior to the Newspaper Merger Effective Time for purposes of vesting, eligibility and benefit levels under any Newco Benefit Plan in which such employee participates after the Newspaper Merger Effective Time, to the extent that such service was recognized under any analogous plan of Scripps or any of its Subsidiaries in effect immediately prior to the Newspaper Merger Effective Time; provided that no such service credit shall be given for purposes of benefit accruals under any defined benefit pension plan or where such credit would result in a duplication of benefits.

(f) If on or after the Newspaper Merger Effective Time any Active Transferring Scripps Employee becomes covered under any benefit plan providing medical, dental, health, pharmaceutical or vision benefits (a "Successor Plan"), other than the plan in which he or she participated immediately prior to the Newspaper Merger Effective Time (a "Prior Plan"), any such Successor Plan shall not include any restrictions or limitations with respect to any pre-existing condition exclusions and actively-at-work requirements (except to the extent such exclusions or requirements were applicable under the corresponding Prior Plan), and, except as otherwise required by law, any eligible expenses incurred by such Active Transferring Scripps Employee and his or her covered dependents during the calendar year in which the Active Transferring Scripps Employee becomes covered under any Successor Plan shall be taken into account under any such Successor Plan for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such employee and/or his or her covered dependents for that year, to the extent that such expenses were incurred during a period in which the Active Transferring Scripps Employee or covered dependent was covered under a corresponding Prior Plan.

#### SECTION 2.02 Journal Employee Matters.

(a) Effective not later than immediately before the Distribution Time, Journal shall cause all Active Transferring Journal Employees to become, or to continue to be, employees of a Journal Newspaper Entity, subject to the consent of Scripps with respect to employees "to become" employees of a Journal Newspaper Entity, which consent shall not be unreasonably delayed, conditioned or withheld. Journal and its Subsidiaries shall not take any action that is not otherwise permitted under this Agreement or the MTA that would interfere with such employees so becoming employed, or so remaining employed, as the case may be, by a Journal Newspaper Entity. As of the Journal Newspaper Distribution, the Journal Newspaper Entities shall have no employees other than the Active Transferring Journal Employees. Transferring Journal Employees, who at the Distribution Time are not Active Transferring Journal Employees by reason of being on leave (as described in the definition of Active Transferring Journal Employees) shall remain (or become) an employee of Journal until medically cleared to return to work. Upon becoming medically cleared to return to work, the employee shall become an Active Transferring Journal Employee and shall be hired by Newco.

(b) As of the Distribution Time, except as expressly provided in this Agreement or the MTA, Journal and its Subsidiaries (other than the Journal Newspaper Entities) shall assign to the Journal Newspaper Entities, to the extent applicable, and the Journal Newspaper Entities shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge, (i) all Liabilities under all Journal Newspaper Benefit Plans, (ii) certain Liabilities as specified in this Agreement incurred with respect to Transferring Journal Employees under all Journal Benefit Plans (excluding any such Liability that is a Journal Broadcast Liability, including as set forth on Section 1.01 of the Journal Disclosure Schedule to the MTA under the heading "Journal Broadcast Liabilities"), (iii) all Liabilities with respect to the employment or termination of employment of all Active Transferring Journal Employees, including those Liabilities arising out of or resulting from employment by Journal or its Subsidiaries on or before the Closing Date and (iv) all Liabilities with respect to other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or nonpayroll worker of Journal or its Subsidiaries, or who is or was in any other employment, non-employment, retainer or other relationship with the Journal or its Subsidiaries), to the extent arising in connection with or as a result of employment with or the performance of services for Journal and its Subsidiaries in connection with the Journal Newspaper Business. All Assets held in trust to fund, and all insurance policies funding, any Liabilities expressly assumed or retained by Journal Newspaper Entities pursuant to the operation of this Section 2.02(b) shall be Journal Newspaper Assets, except to the extent specifically provided otherwise in this Agreement or the MTA.

(c) As of the Distribution Time, except as expressly provided in this Agreement or the MTA, Journal and its Subsidiaries (other than the Journal Newspaper Entities) shall assume or retain, as applicable, and Journal hereby agrees to pay, perform, fulfill and discharge, (i) all Liabilities under all Journal Benefit Plans not expressly assumed by the Journal Newspaper Entities pursuant to Section 2.02(b)(ii) above, (ii) all Liabilities with respect to all Journal Broadcast Employees under all Journal Benefit Plans that are not Journal Newspaper Liabilities, (iii) all Liabilities with respect to the employment or termination of employment of all Journal Broadcast Employees, (iv) all Liabilities with respect to Journal Newspaper Leave Employees (but only for the period of time that they remain Journal Employees); (v) all Liabilities with respect to other service providers (including any individual who is, or was, an independent contractor, temporary employee, temporary service worker, consultant, freelancer, agency employee, leased employee, on-call worker, incidental worker, or nonpayroll worker of Journal or its Subsidiaries, or who is or was in any other employment, non-employment, retainer or other relationship with Journal or its Subsidiaries), to the extent arising in connection with or as a result of employment with or the performance of services to Journal or its Subsidiaries in connection with any business other than the Journal Newspaper Business and (vi) any other Liabilities expressly assigned to Journal or its Subsidiaries (other than the Journal Newspaper Entities) under this Agreement or the MTA, including the Journal Broadcast Liabilities. All Assets held in trust to fund, and all insurance policies funding, any Liabilities expressly assumed or retained by Journal and its Subsidiaries (other than the Journal Newspaper Entities) pursuant to the operation of this Section 2.02(c) shall be Journal Broadcast Assets, except to the extent specifically provided otherwise in this Agreement or the MTA.

(d) Notwithstanding anything in this Agreement or the MTA to the contrary, Journal and its Subsidiaries (other than the Journal Newspaper Entities) shall retain all Liabilities and Assets relating to health plan or insurance claims paid to or on behalf of Transferring Journal Employees or their eligible spouses or dependents prior to the Closing Date under any health insurance plan or policy sponsored or maintained by Journal or its Subsidiaries (other than the Journal Newspaper Entities).

(e) Each Active Transferring Journal Employee will receive service credit for all periods of employment with Journal or any of its Subsidiaries or any predecessor thereof prior to the Newspaper Merger Effective Time for purposes of vesting, eligibility and benefit levels under any Newco Benefit Plan in which such employee participates after the Newspaper Merger Effective Time, to the extent that such service was recognized under any analogous plan of Journal or any of its Subsidiaries in effect immediately prior to the Newspaper Merger Effective Time; provided that no such service credit shall be given for purposes of benefit accruals under any defined benefit pension plan or where such credit would result in a duplication of benefits.

(f) If on or after the Newspaper Merger Effective Time any Active Transferring Journal Employee becomes covered under any Successor Plan, other than a Prior Plan, any such Successor Plan shall not include any restrictions or limitations with respect to any pre-existing condition exclusions and actively-at-work requirements (except to the extent such exclusions or requirements were applicable under the corresponding Prior Plan), and, except as otherwise required by law, any eligible expenses incurred by such Active Transferring Journal Employee and his or her covered dependents during the calendar year in which the Active Transferring Journal Employee becomes covered under any Successor Plan shall be taken into account under any such Successor Plan for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such employee and/or his or her covered dependents for that year, to the extent that such expenses were incurred during a period in which the Active Transferring Journal Employee or covered dependent was covered under a corresponding Prior Plan.

SECTION 2.03 No Third Party Beneficiaries. No Active Transferring Scripps Employee or beneficiary or dependent thereof, Active Transferring Journal Employee or beneficiary or dependent thereof, or any other future, present or former employee of Scripps, Journal, Newco or any of their respective Subsidiaries or Affiliates shall have any third party beneficiary rights or

rights to any specific levels of compensation or benefits or rights to continued employment as a result of the application of this Article 2 or any other provision of this Agreement or the MTA.

#### SECTION 2.04 Reimbursements.

(a) In General. It is the intent of the Parties that, unless expressly provided otherwise in this Agreement, Liabilities for health and welfare plan benefits and workers' compensation Liabilities generally be the responsibility of Scripps for claims paid to its employees and their spouses and dependents after the Closing Date and of Newco for claims paid to its employees and their spouses and dependents after the Closing Date irrespective of when the underlying claim is incurred if claims are paid in the ordinary course in accordance with past practice.

(b) Newco Reimbursement. From time to time after the Closing Date, Newco shall promptly reimburse Scripps, upon Scripps' presentation of such substantiating documentation as Newco shall reasonably request, for the cost of any Liabilities satisfied by Scripps or its Subsidiaries or Affiliates that are, or that have been made pursuant to this Agreement, the responsibility of Newco or any of its Subsidiaries or Affiliates, including Liabilities of Scripps Newspaper Leave Employees and Journal Newspaper Leave Employees.

(c) Scripps Reimbursement. From time to time after the Closing Date, Scripps shall promptly reimburse Newco, upon Newco's presentation of such substantiating documentation as Scripps shall reasonably request, for the cost of any Liabilities satisfied by Newco or its Subsidiaries or Affiliates that are, or that have been made pursuant to this Agreement, the responsibility of Scripps, Journal or any of their Subsidiaries or Affiliates.

SECTION 2.05 Transition Period Services. Certain employees of Journal and Scripps who will not become Transferring Scripps Employees or Transferring Journal Employees may be necessary to the operation of Newco during the Transition Period. At least 30 days prior to Closing Date, Newco will identify to Journal and Scripps these Journal or Scripps employees (the "Transition Period Services Providers") and the approximate period for which their services will be required. The Transition Period Services Providers shall remain employed by Scripps or Journal but provide services to Newco through the Transition Services Agreement. For the period services are provided to Newco by a Transition Period Service Provider, Newco will reimburse Scripps (via the Transition Services Agreement) for the payroll, benefits and other costs of the Transition Period Services Provider (other than those related to retention, severance or retiree health benefit programs). Scripps shall remain responsible for any Liabilities for the payroll, benefits and other costs of these Transition Period Services Providers, including under retention, severance or retiree health benefit programs. Any Transition Period Services Provider whose services are required after the Transition Period End Date shall become employees of Newco and Newco shall be responsible for any Liabilities to these Transition Period Services Providers, including any retention, severance or retiree health benefits beginning on the date the person becomes employed by Newco. A Transition Period Services Provider shall never become a Transferring Scripps Employee or Transferring Journal Employee unless they are employed by Newco after the Transition Period End Date.

### ARTICLE III QUALIFIED DEFINED BENEFIT PLANS

SECTION 3.01 Scripps Retirement Plan. Scripps shall continue to sponsor, maintain and fund the Scripps Retirement Plan. Transferring Scripps Employees shall no longer be eligible to participate in the Scripps Retirement Plan upon the Closing Date, and shall not be eligible to continue to accrue future pay credits or benefits, become eligible (if not already) for any forms of subsidized early retirement benefits, or otherwise become eligible for the Scripps Retiree Medical Program after the Closing Date. Scripps will continue to administer the Scripps Retirement Plan for the benefit of the Transferring Scripps Employees and their beneficiaries or alternate payees. No Journal Broadcast Employee will be eligible to participate in the Scripps Retirement Plan. Scripps also will continue to maintain and administer that portion of the Scripps Retirement Plan that is comprised of, and sponsored by, the Albuquerque Publishing Company and Journal Publishing Company provided, however, that nothing in this Agreement shall limit in any way whatsoever, any future decisions by Scripps to amend, freeze, merge, or terminate the Scripps Retirement Plan, in particular, with respect to Transferring Scripps Employees or the participants in and through the Albuquerque Publishing Company and Journal Publishing Company. Newco shall have no Liabilities with respect to the Scripps Retirement Plan including no liability with respect to participants in the Albuquerque Publishing Company or the Journal Publishing Company portions of the Scripps Retirement Plan.

SECTION 3.02 Scripps Property Plans. Scripps shall continue to maintain, administer, and fund, all as required by Applicable Law, the Scripps Property Plans. Scripps shall continue to sponsor the Knoxville Newspaper Editorial Retirement Income Plan. No new participants shall ever become eligible to participate in any of these plans. With regard to the Memphis Plans, Scripps and Memphis Publishing Company shall take such actions as are necessary to cause Scripps to become the successor plan sponsor on the Closing Date. Nothing in this Agreement shall limit in any way whatsoever, any future decisions by Scripps to amend, freeze, merge, or terminate any one or all of the Scripps Property Plans at any time, or from time to time.



**SECTION 3.03 Journal Retirement Plan.** At the Broadcast Merger Effective Time, Scripps shall become the successor plan sponsor of the Journal Retirement Plan and shall maintain, administer, and fund the plan in accordance with Applicable Law. Scripps shall also assume Journal's rights and responsibilities with respect to the trust assets which fund the Journal Retirement Plan. Journal shall file such forms, attachments, enclosures, and related information, as is necessary under Applicable Law, to notify the IRS, the Pension Benefit Guaranty Corporation, and all affected participants, retirees, beneficiaries, and alternate payees of the transfer of plan sponsorship to Scripps. Journal shall amend the Journal Retirement Plan, as necessary, to effectuate this transfer, and shall cooperate with Scripps as necessary, and provide all information, data, and records in its possession to enable Scripps to carry out this function. Journal shall notify all vendors and advisors of the plan of this transfer and assign any and all rights to contracts with these vendors and advisors to Scripps; provided, however, that Scripps shall not be required to utilize or contract with these vendors and advisors and shall be free, in any event, to substitute other vendors and advisors to provide services for the plan. Scripps agrees to accept the transfer of sponsorship, administer the plan in accordance with its terms, and to operate, fund, and maintain the plan in accordance with its terms and with Applicable Law and shall take such actions as are necessary and proper to effectuate this transfer and assumption of sponsorship; provided, however, that nothing in this Agreement shall limit in any way whatsoever any future decisions by Scripps to amend, freeze, merge, or terminate the Journal Retirement Plan after the Closing Date.

**SECTION 3.04 Multiemployer Pension Plans.**

(a) **Scripps.** As of the date of execution of the MTA, Scripps contributes to and participates in the following multiemployer pension plans: (i) the GCIU Employers Retirement Fund, City of Industry, California (for Bremerton, Washington; Evansville, Indiana; and Knoxville, Tennessee Pressmen) and (ii) the CWA/ITU Negotiated Pension Plan, Colorado Springs, Colorado (for Evansville, Indiana and Knoxville, Tennessee Mailers). Journal and Newco agree that Evansville Courier Company will continue, after the Newspaper Merger Effective Time, to be a participating employer in the CWA/ITU Negotiated Pension Plan for its Mailers in Evansville, Indiana; provided, however, that nothing in this Agreement shall preclude Evansville Courier Company from withdrawing from this plan, completely or partially, but in such case, Newco agrees that it and Evansville Courier Company will be jointly liable for any withdrawal liability assessment at the time of any such withdrawal. With regard to the CWA/ITU Negotiated Pension Plan (for Knoxville, Tennessee Mailers), Newco agrees that it will become a successor employer to Scripps' obligations to contribute to these plans, will comply with the Sale of Assets provisions of ERISA Section 4204 if applicable to the Transactions, and will cooperate with Scripps and each of the plans as reasonably requested to execute such contracts or agreements as necessary to evidence this intent and agreement. Further, nothing in this Agreement shall prevent Newco from withdrawing from the CWA/ITU Negotiated Pension Plan, completely or partially, but in such case, Newco will be liable for any withdrawal liability assessment at the time of such withdrawal. Prior to the Closing Date, Scripps will use commercially reasonable efforts to withdraw, on behalf of itself and all of its Subsidiaries, from the GCIU Employers Retirement Fund. Scripps will also use commercially reasonable efforts to negotiate a lump sum settlement of its withdrawal liability to the GCIU Employers Retirement Fund equal to (or less than) the present value of its monthly payments to the fund and obtain a release of any liability (including liability assessments of additional withdrawal liability in the event of a mass withdrawal, including any subsequent reallocation or redetermination of withdrawal liability) to the fund. Newco shall be responsible for any future assessments of additional withdrawal liability as a result of a mass withdrawal from the fund, including any subsequent reallocation or redetermination of withdrawal liability. In the event that withdrawal is not accomplished prior to the Closing, Newco will cooperate with Scripps in completing the withdrawal and Scripps shall remain responsible for payment of the withdrawal liability.

**ARTICLE IV  
QUALIFIED DEFINED CONTRIBUTION PLANS**

**SECTION 4.01 As of the Closing Date and During the Transition Period.**

(a) **The Newco 401(k) Plan.** As of the Closing Date, Newco shall establish a so-called "401(k)" plan for the benefit of employees of the Newco Group (the "Newco 401(k) Plan"), or shall cause one of its Subsidiaries or Affiliates to establish such a plan. Newco shall be responsible for taking all necessary, reasonable and appropriate action to establish, maintain, and administer the Newco 401(k) Plan so that it is qualified under Sections 401(a) and 401(k) of the Code, and so that the related trust is exempt from income tax under Section 501(a) of the Code. Such actions shall include either: (i) applying for a favorable determination letter from the IRS; or (ii) the adoption of a preapproved or prototype plan with a favorable notification letter to the plan document sponsor, combined with the appropriate use and application of the plan document in a manner pursuant to which Newco can rely on the plan document sponsor's notification letter from the IRS. Newco shall accept a transfer to the Newco 401(k) Plan of the account balances of Active Transferring Journal Employees and Active Transferring Scripps Employees.

(b) **The Journal 401(k) Plan.** Journal will fully vest the account balances of all Journal Participants under the Journal 401(k) Plan effective as of the Closing Date. Journal shall take such action as is necessary, appropriate and reasonable to spin off to the Scripps RIP the account balances of all participants of the Journal 401(k) Plan except the Account balances of Active Transferring Journal Employees as soon as administratively feasible. Journal and Newco then will take such action as is

necessary, appropriate and reasonable to merge the Journal 401(k) Plan into the Newco 401(k) Plan and transfer all related assets of the trust for the Journal 401(k) Plan into the trust for the Newco 401(k) Plan as soon as administratively feasible. Journal and Newco shall be responsible for governmental and participant notifications in furtherance of the foregoing actions.

(c) Scripps RIP. Effective as of the Closing Date, Scripps shall as soon as practicable cause the Scripps RIP to accept the transferred account balances of all participants under the Journal 401(k) Plan except the Account balances of Active Transferring Journal Employees as soon as administratively feasible. At such time, Scripps also shall fully vest the account balances of all Active Transferring Scripps Employees and shall, as soon as administratively feasible, transfer to the Newco 401(k) Plan from the Scripps RIP in a trustee to trustee transfer, the account balances of Active Transferring Scripps Employees. Scripps shall take such actions as are necessary, appropriate and reasonable to effectuate these actions, including all appropriate governmental or participant notifications. Newco will reimburse Scripps for all employer matching contributions made by Scripps to the accounts of Journal Newspaper Leave Employees and Scripps Newspaper Leave Employees while they remain employees of Scripps.

(d) Transition Credit Contribution.

(i) With Respect to Scripps Retirement Plan Participants. Prior to or as soon as administratively practicable following the Closing Date, Scripps shall contribute an amount to the Scripps RIP account of each Active Transferring Scripps Employee equal to the "Transition Credit Contribution" (as defined under the Scripps RIP) that the Active Transferring Scripps Employee would have received under the terms of that plan in effect on the date of this Agreement had his or her employment with Scripps continued from the Closing Date until December 31, 2015, assuming for this purpose that the rate of the Active Transferring Scripps Employee's eligible quarterly compensation for the period that the Active Transferring Scripps Employee is deemed to be so employed shall equal the rate in effect for the calendar quarter ending immediately prior to the Closing Date (but excluding for this purpose only, any one-time or annual payments, such as annual incentives). Except as specifically provided in this Section 4.01(d), in no event shall a Transferring Scripps Employee receive a Transition Credit Contribution with respect to any service or compensation commencing on or after the Closing Date.

(ii) With Respect to GCIU Employer Retirement Fund Participants. Scripps has negotiated with the Pressmen Unions at each of its Bremerton, Washington; Knoxville, Tennessee; and Evansville, Indiana operations to withdraw from the GCIU Employers' Retirement Fund, effective as of June 30, 2014, or as soon as practicable thereafter. Commencing July 1, 2014, Scripps has agreed to pay to the Scripps RIP, a transition credit contribution of one hundred dollars (\$100.00) per covered Pressmen employee, per calendar quarter, in advance for such calendar quarter, for the duration of the respective collective bargaining agreements at and with each of the applicable local unions. Scripps agrees to pay this transition credit contribution to the Scripps RIP until the Newspaper Merger Effective Time. Thereafter, Newco agrees to pay this transition credit contribution to the Newco 401(k) Plan.

(iii) Journal 401(k) Plan Match True Up. As soon as administratively practicable following the final Journal payroll, Journal shall contribute a true-up matching contribution to the Journal 401(k) Plan on behalf of Journal Broadcast Employees and Active Transferring Journal Employees eligible for such a contribution and employed on the Closing Date for the portion of the Plan Year during which such Journal Broadcast Employees and Active Transferring Journal Employees participated in the Journal 401(k) Plan.

(e) Great Empire ESOP. Prior to the Closing Journal will use commercially reasonable efforts to resolve all Liabilities with respect to the Great Empire Broadcasting, Inc. Employee Stock Ownership Plan (the "GEB ESOP"). For this purpose, commercially reasonable efforts will include taking the following actions: (i) updating the plan documents to comply with requirements for tax qualification under the Code; (ii) filing a Voluntary Compliance Program under IRS Revenue Procedure 2013-12 to remediate the non-amender status of the plan document; (iii) filing a determination letter request to ask the IRS for a determination letter on the termination of the plan; (iv) making an effort to locate lost participants to distribute the assets in their accounts; and (v) establishing rollover IRAs for lost participants who cannot be located, to the extent allowable under Applicable Laws. In the event all Liabilities with respect to the GEB ESOP are not resolved as of the Closing Date, Scripps shall assume all of Journal's rights and responsibilities and liabilities with respect to the GEB ESOP.

SECTION 4.02 Account Balance Transfer Rules. All balances (except for loans) shall be transferred in cash and no balances (except for loans) shall be transferred in-kind except to the extent an in-kind transfer is acceptable to the applicable vendor and reduces transfer costs. Loan balances shall be transferred in kind; provided, however the entire account balance (including the loans) must be transferred and, subject to Applicable Law and any required consent of the participants, any such loans may be reamortized as required to reflect any differences in payroll periods.

**ARTICLE V**  
**HEALTH AND WELFARE PLANS**

SECTION 5.01 Health and Welfare Plans Maintained by Journal Prior to the Closing Date. Journal or one or more of its Subsidiaries or Affiliates maintains each of the health and welfare plans set forth on Exhibit A attached hereto (the “Journal Welfare Plans”) for the benefit of eligible Journal Employees. Effective as of the Broadcast Merger Effective Time, Scripps (or one of its Subsidiaries or Affiliates) will become the successor plan sponsor to the Journal Welfare Plans. At such time, and thereafter, either Scripps (or one of its Subsidiaries or Affiliates) shall continue to maintain, at their sole discretion, the Journal Welfare Plans. Except as expressly provided in this Agreement, nothing in this Agreement is intended to limit in any way whatsoever Scripps’ ability to amend, merge, or terminate any Journal Welfare Plan after the Broadcast Merger Effective Time.

SECTION 5.02 Health and Welfare Plans Maintained by Scripps Prior to the Closing Date. Scripps or one or more of its Subsidiaries or Affiliates maintains each of the health and welfare plans set forth on Exhibit B attached hereto (the “Scripps Welfare Plans”) for the benefit of eligible Scripps Employees.

SECTION 5.03 Establishment of the Newco Welfare Plans as of the Closing Date.

(a) Two Sets of Newco Welfare Plans – Mirror Journal Welfare Plans and Mirror Scripps Welfare Plans. Effective as of the Closing Date, Newco (acting directly or through its Subsidiaries or Affiliates) shall sponsor two sets of health and welfare plans for the benefit of its employees. One set of health and welfare benefit plans shall be the Newco Mirror Journal Welfare Plans, which Newco shall sponsor and which shall be for the benefit of Active Transferring Journal Employees and shall be a so-called “mirror image” of the Journal Welfare Plans (“Mirror Journal Welfare Plans”). The second set of health and welfare benefit plans shall be established for the benefit of Active Transferring Scripps Employees and shall mirror the Scripps Welfare Plans (“Mirror Scripps Welfare Plans”). Collectively, the two sets of health and welfare plans established and sponsored by Newco shall be referenced as the “Newco Welfare Plans.” The Newco Welfare Plans shall be administered in the same manner and using the same vendors as the Scripps Welfare Plans and Journal Welfare Plans, respectively, are administered, to the extent reasonably possible, with Newco as the plan sponsor of the Newco Welfare Plans. During the Transition Period: (i) Active Transferring Scripps Employees shall be entitled to continue to participate in Mirror Scripps Welfare Plans under substantially the same basis and cost that they were participating in the Scripps Welfare Plans; (ii) Active Transferring Journal Employees shall be entitled to continue to participate in Mirror Journal Welfare Plans under substantially the same basis and cost that they were participating in the Journal Welfare Plans; and (iii) Scripps will provide administrative services for the Newco Welfare Plans, during the Transition Period, pursuant to the Transition Services Agreement among the parties thereto. Upon the Transition Period End Date, Newco shall provide such employee benefits plans and programs to Active Transferring Scripps Employees and Active Transferring Journal Employees as it provides to all other Newco Employees, upon and subject to the same terms, conditions and costs.

(b) Terms of Participation in Newco Welfare Plans. Newco (acting directly or through its Subsidiaries or Affiliates) shall cause the Newco Welfare Plans to (i) waive all limitations as to pre-existing conditions, exclusions, and service conditions with respect to participation and coverage requirements applicable to Active Transferring Scripps Employees and Active Transferring Journal Employees, other than limitations that were in effect with respect to employees as of the Closing Date, (ii) except as otherwise required by law, provide credit for any deductible, out-of-pocket maximum, and co-payment incurred by participants under the Scripps Welfare Plans or Journal Welfare Plans in which they participated immediately prior to the Closing Date, in satisfying any applicable deductible or out-of-pocket requirements under any Newco Welfare Plans during the same plan year in which such deductible, out-of-pocket maximums and co-payments were made, and (iii) waive any waiting period limitation or evidence of insurability requirement that would otherwise be applicable to an Active Transferring Scripps Employee or Active Transferring Journal Employee, as the case may be, following the Closing Date to the extent such participant had satisfied any similar limitation under the analogous Scripps Welfare Plan or Journal Welfare Plan.

SECTION 5.04 Scripps Welfare Plans After Closing.

(a) Continuation of the Journal Welfare Plans. From the Broadcast Merger Effective Time through the Transition Period End Date, in addition to the Scripps Welfare Plans, Scripps shall continue to sponsor Journal Welfare Plans for the benefit of the Journal Broadcast Employees and Journal Newspaper Leave Employees. Such Journal Welfare Plans shall be administered in the same manner and using the same vendors as the Journal Welfare Plans were administered prior to the Broadcast Merger Effective Time, to the extent reasonably possible, with Scripps (or a Subsidiary or Affiliate thereof) as the successor plan sponsor of the Journal Welfare Plans. During the Transition Period, Journal Broadcast Employees and Journal Newspaper Leave Employees shall be entitled to continue to participate in Journal Welfare Plans upon substantially the same basis and cost that they were participating in the Journal Welfare Plans prior the Broadcast Merger Effective Time. Upon the Transition Period End Date, Scripps shall provide such employee benefit plans and programs to the Journal Broadcast Employees and Journal Newspaper Leave Employees as it provides to other Scripps Employees, upon and subject to the same terms, conditions and costs.

(b) Terms of Participation in the Journal Welfare Plans. Scripps (acting directly or through its Subsidiaries or Affiliates), after the Broadcast Merger Effective Time, shall cause the Journal Welfare Plans to (i) waive all limitations as to pre-existing conditions, exclusions, and service conditions with respect to participation and coverage requirements applicable to Journal Broadcast Employees and Journal Newspaper Leave Employees as of the Closing Date, (ii) provide credit for any deductible, out-of-pocket maximum, and co-payment incurred by participants under the Journal Welfare Plans in which they participated immediately prior to the Closing Date, in satisfying any applicable deductible or out-of-pocket requirements under any Journal Welfare Plans during the same plan year in which such deductible, out-of-pocket maximums and co-payments were made, and (iii) waive any waiting period limitation or evidence of insurability requirement that would otherwise be applicable to a Journal Broadcast Employee or Journal Newspaper Leave Employee to the extent such participant had satisfied any similar limitation under the analogous Journal Welfare Plans prior to the Broadcast Merger Effective Time.

(c) Retiree Medical Programs. The Retiree Medical Programs of Scripps, Journal and Newco (the "Retiree Medical Programs") will be handled as follows:

(i) Overall Intent of the Parties. The overall intent of the Parties is for all eligible employees and eligible retirees of the Newspaper Businesses to become covered by the Newco Retiree Program (defined below) and for all other eligible employees and eligible retirees to become covered by the Scripps Retiree Medical Program (defined below). The mechanics of how this will work during the Transition Period, after the Transition Period End Date, and the circumstances and limitations with respect to which the Parties have agreed to provide these benefits, are set forth in greater detail below.

(ii) Post-Closing Retiree Medical Programs of Newco. Effective as of the Closing Date, Newco (acting directly or through its Subsidiaries or Affiliates) shall: (A) become the successor plan sponsor of the Journal Retiree Program (as described in Exhibit D hereto) (the "Journal Retiree Program") and, (B) adopt or establish a so-called "mirror image" of the Scripps Retiree Medical Program described in Exhibit C attached hereto (the "Scripps Retiree Medical Program"), which mirror-image program shall be referred to as the "Mirror Scripps Retiree Medical Program." The Journal Retiree Program shall continue to cover eligible Active Transferring Journal Employees and eligible current retirees of Journal who worked in the Journal Newspaper Business prior to their retirement. The Mirror Scripps Retiree Medical Program shall cover eligible Active Transferring Scripps Employees and eligible current retirees of Scripps who worked in the Scripps Newspaper Business. The adoption of the Journal Retiree Program and the Mirror Scripps Retiree Medical Program shall comprise the "Newco Retiree Program".

(iii) Post-Closing Retiree Medical Programs of Scripps. Effective as of the Closing Date, Scripps (acting directly or through its Subsidiaries or Affiliates) shall: (A) continue to sponsor the Scripps Retiree Medical Program, and (B) adopt or establish a so-called "mirror-image" of the Journal Retiree Program, which mirror-image program shall be referred to as the "Mirror Journal Retiree Program." The Scripps Retiree Medical Program shall continue to cover Scripps Broadcast Employees, and current retirees of Scripps, other than those who worked in the Scripps Newspaper Business and who will be covered under the Mirror Scripps Retiree Medical Program. The Mirror Journal Retiree Program will cover eligible Journal Broadcast Employees.

(iv) During the Transition Period. The Parties contemplate that a mutual Transition Services Agreement will be necessary for them to administer these Retiree Medical Programs. The Parties also agree not to amend, terminate, or merge the Retiree Medical Programs during the Transition Period, except as may be required under Applicable Law.

(v) Retiree Life Insurance Coverage. Notwithstanding anything in this Section 5.04(c) to the contrary, Scripps will assume the liability to provide the life insurance coverage benefits for any eligible grandfathered Journal Broadcast Employees.

(vi) Executive Life Insurance Plan. Notwithstanding anything in this Agreement to the contrary, Scripps will retain all Liabilities under the Scripps Executive Life Insurance Plan.

SECTION 5.05 Reimbursement Account Plans. Effective as of the Closing Date, Newco (acting directly or through its Subsidiaries or Affiliates) shall establish a health and dependent care reimbursement account plan (the "Scripps Transferred Employees Reimbursement Account Plan") with features that are comparable to those contained in the health and dependent care reimbursement account plan maintained by Scripps for the benefit of Transferring Scripps Employees immediately prior to the Closing Date (the "Scripps Employee Reimbursement Account Plan"). Effective as of the Closing Date, Newco (acting directly or through its Subsidiaries or Affiliates) shall establish a health and dependent care reimbursement account plan (the "Journal Transferred Employees Reimbursement Account Plan") with features that are comparable to those contained in the health and dependent care reimbursement account plan maintained by Journal for Transferring Journal Employees immediately prior to the Closing Date (the "Journal Employee Reimbursement Account Plan"). The Scripps Transferred Employees Reimbursement Account Plan and the Journal Transferred Employees Reimbursement Plan shall continue in effect the elections previously made by participants under, and provide benefits previously provided by, the Scripps Employee Reimbursement Account Plan and the Journal Reimbursement Account Plan. Effective as of the Closing Date, Scripps (acting directly or through its Subsidiaries or

Affiliates) shall assume the health and dependent care reimbursement account plan previously adopted by Journal (the “Journal Broadcast Employee Reimbursement Account Plan”).

SECTION 5.06 COBRA. Effective as of the Closing Date, Scripps (acting directly or through its Subsidiaries or Affiliates) shall assume, or shall have caused its plans, or the Journal Welfare Plans to assume, responsibility for compliance with the health care continuation coverage requirements of COBRA with respect to all employees who, as of the day prior to the Closing Date either were covered under a Journal Welfare Plan or a Scripps Welfare Plan respectively pursuant to COBRA or were eligible to make a COBRA election (i.e., terminated prior to Closing but still in the COBRA election period). Effective as of the Closing Date, each of Scripps (acting directly or through its Subsidiaries or Affiliates) and Newco (acting directly or through its Subsidiaries or Affiliates) shall assume responsibility for compliance with the healthcare continuation requirements of COBRA with respect to their respective employees who experience a COBRA qualifying event on and after the Closing Date. The Parties agree that the Transactions will constitute a qualifying event under COBRA for Active Transferring Journal employees and Active Transferring Scripps Employees.

SECTION 5.07 Liabilities.

(a) Insured Benefits. Newco shall cause the Newco Welfare Plans to fully perform, pay and discharge all claims of Active Transferring Journal Employees and Active Transferring Scripps Employees that are paid on or after the Closing Date. Scripps shall cause the Journal Welfare Plan to fully perform, pay and discharge all claims of Journal Broadcast Employees and Journal Newspaper Leave Employees that are paid on or after the Closing Date. In the event the proper plan does not so pay such claim, such amount shall be a Liability of the sponsor of such plan, and shall be subject to reimbursement under Section 2.04. All such claims shall be paid in the ordinary course in accordance with past practice, and Newco and Scripps shall cooperate to obtain appropriate insurance recoveries and coverage.

(b) Self-Insured Benefits. With respect to employee welfare and fringe benefits that are provided on a self-insured basis, except as otherwise provided herein, Newco (acting directly or through its Subsidiaries or Affiliates) shall cause the Newco Welfare Plans to fully perform, pay and discharge all claims of Active Transferring Journal Employees and Active Transferring Scripps Employees and their spouses and their dependents that are paid on or after such Closing Date. With respect to employee welfare and fringe benefits that are provided on a self-insured basis, except as otherwise provided herein, Scripps (acting directly or through its Subsidiaries or Affiliates) shall cause the Journal Welfare Plans to fully perform, pay and discharge all claims of Journal Broadcast Employees, Scripps Newspaper Leave Employees, and Journal Newspaper Leave Employees and their spouses and dependants that are paid after such Closing Date. Expenses and claims paid to or on behalf of Active Transferring Journal Employees and Transferring Scripps Employees on and after the Closing Date, shall be Liabilities of Newco, notwithstanding which plan actually pays or covers the expense or claim. Similarly, expenses and claims paid to or on behalf of Journal Broadcast Employees, Scripps Newspaper Leave Employees, and Journal Newspaper Leave Employees and their spouses and dependents on or after the Closing Date shall be Liabilities of Scripps, notwithstanding which plan actually pays or covers the expense or claim. In the event the proper plan does not so pay such claim, such amount shall be a Liability of the sponsor of such plan, and shall be subject to reimbursement under Section 2.04. All such claims shall be paid in the ordinary course in accordance with past practice, and Newco and Scripps shall cooperate to obtain appropriate insurance recoveries and coverage.

(c) Plan Establishment and Administrative Assistance. As more specifically described in the Transition Services Agreement, Scripps and Newco shall provide assistance to each other in the establishment and administration of the Newco Benefit Plans and the benefit plans of Scripps after the Closing Date.

(d) Disability. The insured Journal long term disability plan shall provide coverage to Journal Broadcast Employees, Journal Newspaper Leave Employees, and Transferring Journal Employees who become eligible for coverage under such plan due to an occurrence prior to the Closing Date. The insured portion of the Scripps long term disability plan (and the fully insured disability plans at Evansville, Indiana and Knoxville, Tennessee) shall provide coverage to Scripps Broadcast Employees, Scripps Newspaper Leave Employees, and Transferring Scripps Employees who become eligible for coverage under such plan due to an occurrence prior to the Closing Date, provided that such occurrence was at least one year prior to Closing. Active Transferring Scripps Employees and Active Transferring Journal Employees shall not be entitled to any short term disability benefits from Scripps or Journal after the Closing Date or any long term disability benefits from Scripps to the extent they are related to the self insured portion of the Scripps long term disability plan. Scripps shall remain responsible for all disability benefits provided to Scripps Broadcast Employees and Scripps Newspaper Leave Employees and Journal shall remain responsible for all disability benefits provided to Journal Broadcast Employees and Journal Newspaper Leave Employees. With respect to Transferring Scripps Employees who were eligible for long term disability benefits prior to Closing, but who had not yet reached one full year since the date of occurrence of the disability (i.e., such employee was in the self-insured portion of their period of long term disability), Scripps shall either pay or provide the long term disability benefits or, if Scripps pays such benefits directly, Newco will reimburse Scripps for long term disability benefits paid or conferred after the Closing Date.

(e) Reimbursements for the Newspaper Leave Employees. Newco will reimburse Scripps for all self-insured health and welfare benefits paid by Scripps, after Closing, to or on behalf of Journal Newspaper Leave Employees and Scripps Newspaper Leave Employees while they remain employees of Scripps

(f) Audit Rights. Newco shall have the right, at its own expense, to audit, or to cause an inspection body selected by Newco and composed of members with appropriate professional qualifications to audit any invoices for the payment of self-insured medical claims, retiree medical claims, under Sections 5.07(b) through (e), respectively, in a commercially reasonable manner during normal Scripps business hours. Scripps shall have identical rights with respect to any reimbursements requested by Newco for pre-Closing Date payments as described under Sections 5.07(b) and (c) above.

(g) Patient Protection and Affordable Care Act Compliance. Journal, Newco and Scripps, before and after the Closing Date, all agree to take any and all necessary actions to comply with the requirements of the Patient Protection and Affordable Care Act (“PPACA”), including (1) providing group health plan coverage that satisfies all of the requirements imposed upon relevant plans under Section 715 of ERISA and Subchapter B of Chapter 100 of Subtitle K of the Code and that satisfies all of the relevant requirements imposed by the Fair Labor Standards Act (as amended by PPACA) upon Journal, Newco or Scripps or any Subsidiary or Affiliate with respect to such plan; and (2) maintaining employee records (or, causing such third parties to maintain such records) reasonably sufficient to enable Journal, Scripps and Newco and each Subsidiary or Affiliate to comply with all relevant reporting and disclosure requirements imposed upon any of them under Sections 6051, 6055, and 6056 of the Code and related regulations and satisfying all reporting and disclosure requirements imposed under said Sections. Journal, Newco and Scripps shall all cooperate as necessary to meet the reporting and compliance requirements under PPACA. In addition, Journal, Newco and Scripps shall all cooperate, as necessary, to determine the status of employees for purposes of Code Section 4980H.

(h) HIPAA Privacy Compliance. With regard to compliance under HIPAA, each of the welfare plans that are group health plans or include group health plan components shall have HIPAA compliance programs, including but not limited to, policies and procedures, business associate agreements with vendors, and distribution of a HIPAA Notice of Privacy Practice and health plan identifiers. As necessary, the parties hereto shall enter into HIPAA business associate agreements, as necessary, to provide services under the Transition Services Agreement. The parties shall cooperate in taking any actions necessary for the others’ HIPAA compliance, including with respect to health plan identifiers.

SECTION 5.08 Health Savings Accounts (“HSAs”) as of the Closing Date. The parties agree that each HSA account is an individual account that is controlled by each individual account holder. The Parties agree that an individual’s HSA account is not subject to ERISA, and neither Scripps nor Newco will administer any HSA account of an individual.

SECTION 5.09 Paid Time-Off Benefits/Sick Pay/Vacation.

(a) Scripps. During the Transition Period, Scripps will provide Journal Broadcast Employees the same sick pay and vacation benefits as Journal provided to such employees prior to the Closing Date, and shall carry over and grant credit for all such related seniority, length of service, and unused balances at the Closing Date as are used to measure the unused benefits available for the remainder of the calendar year at the Closing Date. Scripps or Journal also will provide the same sick pay and vacation benefits to Journal Newspaper Leave Employees as Journal provided to such employees prior to Closing. Scripps also will provide the same short term disability, paid time off, and vacation benefits to Scripps Newspaper Leave Employees as it provided to such employees prior to Closing.

(b) Newco. During the Transition Period, Newco will provide Active Transferring Scripps Employees and Active Transferring Journal Employees the same Paid Time Off and vacation benefits as Scripps and Journal, respectively, provided to such employees prior to the Closing Date, and shall carry over and grant credit for all such related seniority, length of service, and unused balances at the Closing Date as are used to measure the unused benefits for the remainder of the calendar year at the Closing Date.

(c) At the Transition Period End Date. At the Transition Period End Date all unused paid time off and vacation benefits in excess of 5 days shall be cashed out by Newco or Scripps.

(d) Cash Out. Prior to the Closing Date Journal shall cash out the 5th week vacation bank, the 1995 grandfathered vacation accrual and the 2008 grandfathered vacation accrual.

(e) Reimbursement for Newspaper Leave Employees. Newco will reimburse Scripps for all self-insured sick pay, short term disability, long term disability, paid time off and vacation benefits paid by Scripps, after Closing, to or on behalf of Journal Newspaper Leave Employees and Scripps Newspaper Leave Employees while they remain employees of Scripps.

**ARTICLE VI**  
**NONQUALIFIED PLANS**

SECTION 6.01 Scripps Nonqualified Plans. Prior to the Distribution Time, Newco shall establish a non-qualified deferred compensation plan or plans that provide benefits substantially comparable in all material respects to the benefits provided under the Scripps Nonqualified Plans, as in effect on the date of this Agreement (the "Newco Scripps Mirror Nonqualified Plans"). As of the Distribution Time, all individuals who participated in the Scripps Nonqualified Plans immediately prior to the Distribution Time and who are either (a) Transferring Scripps Employees or (b) Former Scripps Employees who, at the time of termination of employment, were primarily employed in connection with the Scripps Newspaper Business ("Former Scripps Nonqualified Plan Participants") shall cease to participate in the Scripps Nonqualified Plans and, as of the Newspaper Merger Effective Time, Newco shall cause such Former Scripps Nonqualified Plan Participants to commence participation in the Newco Scripps Mirror Nonqualified Plans on terms and conditions substantially comparable in all material respects to those under the Scripps Nonqualified Plans. Effective as of the Newspaper Merger Effective Time, Newco hereby agrees to cause the Newco Scripps Mirror Nonqualified Plans to assume and to pay, perform, fulfill and discharge all Liabilities under the Scripps Nonqualified Plans with respect to all Former Scripps Nonqualified Plan Participants therein. Newco (acting directly or through its Affiliates) shall be responsible for any and all Liabilities and other obligations with respect to the Newco Scripps Mirror Nonqualified Plans. Newco shall cause the Newco Scripps Mirror Nonqualified Plans to recognize and maintain all elections (including deferral, distribution and investment elections) and beneficiary designations with respect to Former Scripps Nonqualified Plan Participants under the Scripps Nonqualified Plans for the remainder of the period or periods for which such elections or designations are by their original terms applicable, to the extent such election or designation is available under the Newco Scripps Mirror Nonqualified Plans. The Newco Scripps Mirror Nonqualified Plans shall be designed and implemented in such a manner that the assumption of Liabilities and other obligations pursuant to this Section 6.01 shall not, by itself, constitute a change in the time or form of payment or an acceleration of payment with respect to any Former Scripps Nonqualified Plan Participant for purposes of Section 409A of the Code. The Newco Board of Directors may, in its sole discretion, limit participation in the Newco Scripps Mirror Nonqualified Plans solely to Former Scripps Nonqualified Plan Participants. Neither Scripps, Journal nor their Affiliates shall have any obligations with respect to the Newco Scripps Mirror Nonqualified Plans, as they may be amended from time to time. Effective as of the Distribution Time, Scripps shall retain and hereby agrees to pay, perform, fulfill and discharge all Liabilities under the Scripps Nonqualified Plans and The E.W. Scripps Company 1997 Deferred Compensation and Stock Plan for Directors, as they may be amended from time to time, with respect to participants other than Transferring Scripps Employees. Newco and its Affiliates shall have no liability or responsibility with respect to the Scripps Nonqualified Plans.

SECTION 6.02 Journal Nonqualified Plans. Prior to the Distribution Time, Newco shall establish a non-qualified deferred compensation plan or plans that provide benefits substantially comparable in all material respects to the benefits provided under the Journal Nonqualified Plans, as in effect on the date of this Agreement (the "Newco Journal Mirror Nonqualified Plans"). As of the Distribution Time, all individuals who participated in the Journal Nonqualified Plans immediately prior to the Distribution Time and who are either (a) Transferring Journal Employees or (b) Former Journal Employees who, at the time of termination of employment, were primarily employed in connection with the Journal Newspaper Business ("Former Journal Nonqualified Plan Participants") shall cease to participate in the Journal Nonqualified Plans and, as of the Newspaper Merger Effective Time, Newco shall cause such Former Journal Nonqualified Plan Participants to commence participation in the Newco Journal Mirror Nonqualified Plans on terms and conditions substantially comparable in all material respects to those under the Journal Nonqualified Plans. Effective as of the Newspaper Merger Effective Time, Newco hereby agrees to cause the Newco Journal Mirror Nonqualified Plans to assume and to pay, perform, fulfill and discharge all Liabilities under the Journal Nonqualified Plans with respect to all Former Journal Nonqualified Plan Participants therein. Newco (acting directly or through its Affiliates) shall be responsible for any and all Liabilities and other obligations with respect to the Newco Journal Mirror Nonqualified Plans. Newco shall cause the Newco Journal Mirror Nonqualified Plans to recognize and maintain all elections (including deferral, distribution and investment elections) and beneficiary designations with respect to Former Journal Nonqualified Plan Participants under the Journal Nonqualified Plans for the remainder of the period or periods for which such elections or designations are by their original terms applicable, to the extent such election or designation is available under the Newco Journal Mirror Nonqualified Plans. The Newco Journal Mirror Nonqualified Plans shall be designed and implemented in such a manner that the assumption of Liabilities and other obligations pursuant to this Section 6.02 shall not, by itself, constitute a change in the time or form of payment or an acceleration of payment with respect to any Former Journal Nonqualified Plan Participant for purposes of Section 409A of the Code. The Newco Board of Directors may, in its sole discretion, limit participation in the Newco Journal Mirror Nonqualified Plans solely to Former Journal Nonqualified Plan Participants. Neither Scripps, Journal nor their Affiliates shall have any obligations with respect to the Newco Journal Mirror Nonqualified Plans, as they may be amended from time to time. Effective as of the Broadcast Merger Effective Time, Journal shall assign to Scripps, and Scripps shall assume or retain, as applicable, and Scripps hereby agrees to pay, perform, fulfill and discharge all Liabilities under the Journal Nonqualified Plans, as they may be amended from time to time, with respect to participants other than Transferring Journal Employees. Newco and its Affiliates shall have no liability or responsibility with respect to the Journal Nonqualified Plans.

SECTION 6.03 Scripps Transition Credit Plan. Prior to the Closing Date, Scripps shall credit an amount to the account of each Transferring Scripps Employee who participates in the Scripps Transition Credit Plan equal to the "Transition Credit" (as

defined under the Scripps Transition Credit Plan) that the Transferring Scripps Employee would have received under the terms of that plan in effect on the date of this Agreement had his or her employment with Scripps continued from the Distribution Time until December 31, 2015, after taking into account the Transition Credit contributed to the Scripps RIP on behalf of such Transferring Scripps Employee in accordance with Section 4.01(d) of this Agreement, assuming for this purpose that the rate of the Transferring Scripps Employee's eligible quarterly compensation for the period that the Transferring Scripps Employee is deemed to be so employed shall equal the rate in effect for the calendar quarter ending immediately prior to the Closing Date (but excluding, for this purpose only, any one-time or annual payments, such as annual incentives). Except as specifically provided in this Section 6.03, in no event shall a Transferring Scripps Employee receive a Transition Credit with respect to any service or compensation commencing on or after the Closing Date.

SECTION 6.04 Impact of Transactions. Scripps, Journal and Newco acknowledge and agree that none of the Transactions alone will trigger a separation from service (within the meaning of Section 409A of the Code) of any participant in the Nonqualified Plans.

## **ARTICLE VII LONG-TERM INCENTIVE AWARDS**

SECTION 7.01 Long-Term Incentive Awards. Prior to the Closing Date, Scripps and Journal shall take all actions necessary or appropriate to effect the provisions of this Article VII, including obtaining any required consents.

### SECTION 7.02 Treatment of Scripps Options.

(a) Adjustments. Each Scripps Option that is outstanding immediately prior to the Distribution Time shall be adjusted, as of the Distribution Time, as follows: (i) the number of Scripps Class A Common Shares subject to such adjusted Scripps Option shall equal the quotient obtained by dividing (x) the number of Scripps Class A Common Shares subject to the corresponding Scripps Option immediately prior to the Distribution Time, by (y) the Scripps Ratio, with fractional shares rounded down to the nearest whole share; and (ii) the per share exercise price of such adjusted Scripps Option shall be equal to the product obtained by multiplying (x) the per share exercise price of the corresponding Scripps Option immediately prior to the Distribution Time, by (y) the Scripps Ratio, rounded up to the nearest whole cent.

(b) Terms and Conditions. Except as provided in Section 7.02(a), at and after the Distribution Time, each Scripps Option shall continue to be subject to the same terms and conditions as applied immediately prior to the Distribution Time, including the terms and conditions relating to vesting, the post-termination exercise period, and the applicable exercise and tax withholding methods (as set forth in the applicable plan, award agreement or in the holder's then applicable employment agreement). Solely for purposes of determining the exercise period of a Scripps Option held by a Transferring Scripps Employee (and for no other purpose), the Transferring Scripps Employee shall be treated as having experienced a termination of employment from Scripps and its Subsidiaries, so that each Scripps Option held by a Transferring Scripps Employee shall terminate on the 90th day after the Closing Date (or, if earlier, the expiration of its full term), unless the Transferring Scripps Employee is eligible for "retirement" on the Closing Date (within the meaning of the applicable Scripps Share Plan), in which case the Scripps Option shall remain exercisable for the full duration of its term.

(c) Exercise of Scripps Options. Upon the exercise of a Scripps Option after the Distribution Time, regardless of the holder thereof, the exercise price shall be paid to (or otherwise satisfied to the satisfaction of) Scripps in accordance with the terms of the Scripps Option, and Scripps shall be solely responsible for the issuance of Scripps Class A Common Shares and for the withholding, reporting and remittance of all applicable taxes related to the exercise of the Scripps Option.

(d) Waiting Period for Exercisability. The Scripps Options shall not be exercisable during a period beginning on a date prior to the Closing Date determined by Scripps in its sole discretion, and continuing until the Scripps Ratio is determined after the Closing Date, or such longer period as Scripps determines is necessary to implement the provisions of this Section 7.02.

(e) Section 409A of the Code. Scripps, Journal and Newco intend that the adjustments to the Scripps Options as provided in this Section 7.02 be effected in a manner such that the Scripps Options outstanding after the Distribution Time remain exempt from the application of Section 409A of the Code. This Section 7.02 shall be construed, administered, and governed in a manner that effects such intent, and the Parties shall not take any action that would be inconsistent with such intent.

### SECTION 7.03 Treatment of Journal SARs.

(a) Cancellation of Journal SARs. Each Journal SAR outstanding immediately prior to the date hereof shall remain outstanding and exercisable in accordance with its terms through the Record Date and shall cease to be exercisable immediately thereafter. Each Journal SAR not exercised on or prior to the Record Date and outstanding immediately after the



Record Date shall be cancelled immediately prior to the Distribution Time. In exchange therefor, each former holder of any such cancelled Journal SAR shall be entitled to receive, in settlement therefor and full satisfaction thereof, a cash payment, without interest, in an amount determined by the Journal Compensation Committee and communicated to Scripps in writing prior to the Closing Date; provided that the cash payments for the Journal SARs pursuant to this Section 7.03(a) shall not exceed (i) in the aggregate, \$978,041, and (ii) on a per-SAR basis, an amount equal to the estimated fair value of such SAR, as determined by the Journal Compensation Committee, consistent with the illustration provided by Journal to Scripps on July 25, 2014, and reasonably acceptable to Scripps. Scripps shall make or shall cause a member of the Scripps Group to make to each former holder of any such cancelled Journal SAR payment with respect to the cancelled Journal SARs within ten Business Days after the Closing Date. Scripps or a member of the Scripps Group or Newco or a member of the Newco Group, as appropriate, may withhold or cause to be withheld from any amounts payable under this Section 7.03(a) all required federal, state, local and other taxes (and shall have the right, in its sole discretion, to require the holder to pay or provide for payment of the required tax withholding).

(b) Section 409A of the Code. Scripps, Journal and Newco intend that the treatment of the Journal SARs as provided in this Section 7.03 be effected in a manner such that the Journal SARs remain exempt from the application of Section 409A of the Code. This Section 7.03 shall be construed, administered, and governed in a manner that effects such intent, and the Parties shall not take any action that would be inconsistent with such intent.

#### SECTION 7.04 Treatment of Scripps Restricted Share Units.

(a) Scripps Restricted Share Units Held by Scripps Participants or Scripps Directors. Each Scripps Restricted Share Unit outstanding immediately prior to the Distribution Time and held by a Scripps Participant or Scripps Director shall be adjusted, as of the Distribution Time, so that the number of Scripps Class A Common Shares subject to such adjusted Scripps Restricted Share Unit shall equal the quotient obtained by dividing (i) the number of Scripps Class A Common Shares subject to the corresponding Scripps Restricted Share Unit immediately prior to the Distribution Time, by (ii) the Scripps Ratio, with fractional shares rounded down to the nearest whole share. Except as provided above, at and after the Distribution Time, each adjusted Scripps Restricted Share Unit shall continue to be subject to the same terms and conditions as applied immediately prior to the Distribution Time, including the restrictions and the terms and conditions relating to vesting, payment and methods of tax withholding (as set forth in the applicable plan, award agreement or in the holder's then applicable employment agreement).

(b) Scripps Restricted Share Units held by Transferring Scripps Employees and Designated Participants. Each Scripps Restricted Share Unit outstanding immediately prior to the Distribution Time and held by a Transferring Scripps Employee or Designated Participant shall vest in full (and in the case of any Scripps Restricted Share Units subject to performance-based vesting conditions, the applicable performance criteria shall be deemed to have been satisfied based on target level unless the measurement period for such awards has ended on or prior to the Distribution Time, in which case such awards shall vest based on actual results attained) and shall be cancelled as of the Distribution Time. In exchange therefor, each former holder of any such cancelled Scripps Restricted Share Unit shall be entitled to receive, in settlement therefor and full satisfaction thereof, (i) a number of fully vested Scripps Class A Common Shares equal to the total number of cancelled Scripps Restricted Share Units, (ii) a cash amount equal to the product of (x) the dollar amount of the Pre-Broadcast Merger Dividend payable per Scripps Class A Common Share and (y) the total number of cancelled Restricted Share Units (which, for the avoidance of doubt, shall be in lieu of, but not in duplication of, any dividend equivalents attached to the cancelled Scripps Restricted Share Units) and (iii) a number of fully vested shares of Newco Common Stock to which the individual would be entitled to receive in the Transactions had the Scripps Restricted Share Units represented actual Scripps Class A Common Shares as of the Record Date. In each case, payment with respect to the cancelled Scripps Restricted Share Units held by Transferring Scripps Employees or Designated Participants shall be made within ten Business Days after the Closing Date (or, if applicable, within such other time period as required under The E. W. Scripps Company Executive Severance Plan); provided, however, that in the case of a Transferring Scripps Employee or Designated Participant listed on Section 1.01 of the Schedules hereto who holds a Scripps Restricted Share Unit that constitutes deferred compensation within the meaning of Section 409A of the Code, the payment shall occur on the date that it would otherwise occur under the applicable award agreement absent the application of this Section 7.04(b) to the extent necessary to avoid the imposition of any penalty or other taxes under Section 409A of the Code. Scripps may withhold or cause to be withheld from any amounts payable under this Section 7.04(b) all required federal, state, local and other taxes (and shall have the right, in its sole discretion, to require the holder to pay or provide for payment of the required tax withholding).

#### SECTION 7.05 Treatment of Journal Restricted Shares.

(a) Acceleration of Vesting of Journal Restricted Shares. Each Journal Restricted Share outstanding immediately prior to the Distribution Time shall vest in full immediately prior to the Distribution Time and shall be treated in the same manner as other Journal Common Stock for purposes of the MTA. Each such Journal Restricted Share shall be subject to tax withholding as set forth in the applicable plan or award agreement; provided that Scripps or a member of the Scripps Group or Newco or a member of the Newco Group, as appropriate, may withhold or cause to be withheld from any amounts payable under this Section 7.05 all required federal, state, local and other taxes with respect to such Journal Restricted Shares (and shall have the right, in its sole discretion, to require the holder to pay or provide for payment of the required tax withholding).

(b) Section 409A of the Code. Scripps, Journal and Newco intend that the treatment of the Journal Restricted Shares as provided in this Section 7.05 be effected in a manner such that the Journal Restricted Shares remain exempt from the application of Section 409A of the Code. This Section 7.05 shall be construed, administered, and governed in a manner that effects such intent, and the Parties shall not take any action that would be inconsistent with such intent.

**SECTION 7.06 Treatment of Journal Performance Units**

(a) Acceleration of Vesting and Cancellation of Journal Performance Units. Journal Performance Units outstanding immediately prior to the Closing Date shall vest as provided in this Section 7.06(a) and shall be cancelled as of the Closing Date. Such Journal Performance Units granted with respect to the three-year performance period consisting of Journal's 2012, 2013 and 2014 fiscal years, if still outstanding immediately prior to the Distribution Time, shall become vested at 150% of the target number of Journal Performance Units. Such Journal Performance Units granted with respect to the three-year performance period consisting of Journal's 2013, 2014 and 2015 fiscal years shall be earned based on the actual level of achievement of all relevant performance goals, as determined by the Journal Compensation Committee, measured as of the end of the calendar quarter immediately preceding the Closing Date, and such earned Journal Performance Units shall be prorated based upon the length of time within the performance period that has elapsed prior to the Closing Date. Such Journal Performance Units granted with respect to the three-year performance period consisting of Journal's 2014, 2015 and 2016 fiscal years shall be earned based on a deemed achievement of all relevant performance goals at the target level (or, if the Closing Date occurs on or after July 1, 2015, earned based on the actual level of achievement of all relevant performance goals, as determined by the Journal Compensation Committee, measured as of the end of the calendar quarter immediately preceding the Closing Date), and such earned Journal Performance Units shall be prorated based upon the length of time within the performance period that has elapsed prior to the Closing Date. Any Journal Performance Units outstanding immediately prior to the Closing Date and not becoming vested in accordance with the foregoing shall be forfeited without payment therefor effective as of the Closing Date. In exchange for each Journal Performance Unit becoming vested and cancelled in accordance with this Section 7.06(a), each former holder of any such cancelled Journal Performance Unit shall be entitled to receive, in settlement therefor and full satisfaction thereof, (i) a number of fully vested Scripps Class A Common Shares to which the individual would be entitled to receive in the Transactions had the vested and cancelled Journal Performance Units represented actual Journal Common Stock as of the Record Date, and (ii) a number of fully vested shares of Newco Common Stock to which the individual would be entitled to receive in the Transactions had the vested and cancelled Journal Performance Units represented actual Journal Common Stock as of the Record Date. In each case, payment with respect to the vested and cancelled Journal Performance Units shall be made within ten Business Days after the Closing Date. Scripps or a member of the Scripps Group or Newco or a member of the Newco Group, as appropriate, may withhold or cause to be withheld from any amounts payable under this Section 7.06(a) all required federal, state, local and other taxes (and shall have the right, in its sole discretion, to require the holder to pay or provide for payment of the required tax withholding).

(b) Section 409A of the Code. Scripps, Journal and Newco intend that the treatment of the Journal Performance Units as provided in this Section 7.06 be effected in a manner such that the Journal Performance Units remain exempt from the application of Section 409A of the Code. This Section 7.06 shall be construed, administered, and governed in a manner that effects such intent, and the Parties shall not take any action that would be inconsistent with such intent.

**SECTION 7.07 Treatment of Scripps Phantom Stock Units**. Each Scripps Phantom Stock Unit outstanding immediately prior to the Distribution Time shall be adjusted, as of the Distribution Time, so that the number of Scripps Class A Common Shares subject to such adjusted Scripps Phantom Stock Unit shall be equal to the quotient obtained by dividing (a) the number of Scripps Class A Common Shares subject to the corresponding Scripps Phantom Stock Unit immediately prior to the Distribution Time, by (b) the Scripps Ratio, with fractional shares rounded down to the nearest whole share. At and after the Distribution Time, the Scripps Phantom Stock Units shall continue to be governed by and paid in accordance with the terms of the applicable plan.

**SECTION 7.08 Journal Share Plans**. Journal shall take all actions necessary or appropriate to ensure that, as of the Closing Date, the Journal Share Plans shall terminate and no holder of Journal SARs, Journal Restricted Shares or Journal Performance Units and no participant in any Journal Share Plan shall have any rights to acquire, or other rights in respect of, the capital stock of Journal except the rights contemplated by Sections 7.03, 7.05 and 7.06 hereof.

**ARTICLE VIII  
ADDITIONAL COMPENSATION ACTIONS**

**SECTION 8.01 Incentive Awards**

(a) Scripps Incentive Awards. Except as otherwise provided in Section 6.01 hereof, effective as of the Distribution Time, Scripps shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge all Liabilities for cash-based incentive awards under The E.W. Scripps Company Executive Annual Incentive Plan or The E.W. Scripps

Company Short-Term incentive Plan (or the comparable non-executive annual incentive plan maintained by Scripps or its Subsidiaries) that any Scripps Participant or Transferring Scripps Employee is eligible to receive with respect to any performance period that ends at or before the Distribution Time and, effective as of the Distribution Time, the Newco Group shall have no obligations with respect to any such incentive awards. With respect to Transferring Scripps Employees: (i) Scripps shall determine the amount of such incentive awards earned by the Transferring Scripps Employee, which awards shall be determined without regard to any discretionary adjustments that have the effect of reducing the amount of the incentive award (other than discretionary adjustments applicable to all similarly-situated Scripps Participants); and (ii) such incentive awards shall be paid by Scripps in cash to the Transferring Scripps Employees prior to the Distribution Time, but no later than the payment date provided under the applicable plan document. Scripps acknowledges and agrees that, to the extent it establishes annual cash-based incentive programs prior to the Distribution Time with respect to 2015 performance, it will cause the applicable performance period to end at or prior to the Distribution Time. Moreover, except as otherwise provided in Section 6.01 hereof, Scripps shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge all Liabilities for any payments to any Scripps Participant or Transferring Scripps Employee under any cash-based incentive compensation, commission or similar bonus or incentive compensation arrangements that have been earned but remain unpaid at or before the Distribution Time and, effective as of the Distribution Time, the Newco Group shall have no obligations with respect to any such payments.

(b) Journal Incentive Awards. Except as otherwise provided in Section 6.02 hereof, effective no later than the Distribution Time, Journal shall assume or retain, as applicable, and shall pay, perform, fulfill and discharge, prior to the Distribution Time, all Liabilities for cash-based incentive awards under the Journal Communications, Inc. Annual Management Incentive Plan (or the comparable non-executive annual incentive plan maintained by Journal or its Subsidiaries) that any Journal Participant or Transferring Journal Employee is eligible to receive with respect to any performance period that ends before the Distribution Time and, effective as of the Distribution Time, neither Scripps nor the Newco Group shall have any obligations with respect to any such incentive awards. With respect to Transferring Journal Employees and Journal Participants: (i) Journal shall determine the amount of such incentive awards earned by the Transferring Journal Employee or Journal Participant, which awards shall be determined without regard to any discretionary adjustments that have the effect of reducing the amount of the incentive award (other than discretionary adjustments applicable to all similarly-situated Journal Participants); and (ii) such incentive awards shall be paid by Journal in cash to the Transferring Journal Employees or Journal Participants prior to the Distribution Time, but no later than the payment date provided under the applicable plan document. Journal acknowledges and agrees that, to the extent it establishes annual cash-based incentive programs prior to the Distribution Time with respect to 2015 performance, it will cause the applicable performance period to end prior to the Distribution Time. Moreover, except as otherwise provided in Section 6.02 hereof Journal shall assume or retain, as applicable, and shall pay, perform, fulfill and discharge, prior to the Distribution Time, all Liabilities for any payments to any Journal Participant or Transferring Journal Employee under any cash-based incentive compensation, commission or similar bonus or incentive compensation arrangements that have been earned but otherwise would remain unpaid at or before the Distribution Time and, effective as of the Distribution Time, the Newco Group shall have no obligations with respect to any such payments.

(c) Newco Incentive Awards. Except as otherwise provided in Sections 6.01 and 6.02 hereof, Newco Group shall not have any obligations with respect to any cash-based incentive compensation, commission or similar bonus or incentive compensation awards or arrangements that have been earned by any Journal Participant, Transferring Journal Employee, Scripps Participant or Transferring Scripps Employee at or before the Distribution Time. Prior to the Distribution Time, Newco shall (a) take such actions as are necessary to adopt an annual incentive plan, on terms and conditions to be established by the Newco Board of Directors in its sole discretion, and (b) receive shareholder approval with respect to such plan to the extent Newco deems necessary or appropriate to comply with (or qualify for an exemption from) Applicable Laws. Newco or a member of the Newco Group, as applicable, shall assume or retain, as applicable, and shall pay, perform, fulfill and discharge, all obligations with respect to any cash-based incentive compensation, commission or similar bonus or incentive compensation arrangements or incentive awards that any Newco Participant is eligible to earn for periods that commence after the Distribution Time.

#### SECTION 8.02 Employee Stock Purchase Plans.

(a) Scripps Employee Stock Purchase Plan. Scripps shall take all actions necessary, subject to Applicable Law, pursuant to the terms of the Scripps Employee Stock Purchase Plan in order to: (i) ensure that no offering periods under the Scripps Employee Stock Purchase Plan commence after the date of this Agreement and on or before the Closing Date; (ii) suspend payroll withholding under the Scripps Employee Stock Purchase Plan immediately after the July 25, 2014 payroll (the "Scripps ESPP Suspension Date"); and (iii) freeze the Scripps Employee Stock Purchase Plan effective upon delivery of Scripps Class A Common Shares purchased (via open market purchases) under the Scripps Employee Stock Purchase Plan for the offering period in effect on the Scripps ESPP Suspension Date.

(b) Journal Employee Stock Purchase Plan. Journal shall take all actions necessary, subject to Applicable Law, pursuant to the terms of the Journal Employee Stock Purchase Plan in order to: (i) ensure that no offering periods under the Journal Employee Stock Purchase Plan commence after the date of this Agreement; (ii) suspend the offering period under the

Journal Employee Stock Purchase Plan in effect on the date of this Agreement (the “Journal ESPP Suspension Date”); and (iii) refund to participants in the Journal Employee Stock Purchase Plan the funds that remain in the participants’ accounts as of the Journal ESPP Suspension Date. Journal shall take any and all actions (but subject to compliance with the terms and conditions of awards and Applicable Law) as may be necessary to terminate the Journal Employee Stock Purchase Plan as of the Distribution Time.

**SECTION 8.03 Scripps Senior Executive Change in Control Plan.** Prior to the Distribution Time, Newco shall take such actions as are necessary to adopt an executive change in control plan (the “Newco Scripps Mirror Executive CIC Plan”) that provides benefits substantially comparable in all material respects to the benefits provided under the Scripps Senior Executive Change in Control Plan (the “Scripps Executive CIC Plan”), as in effect on the date of this Agreement, for a period of one year after the Closing Date (the “Newco Scripps Mirror Executive CIC Plan Period”). As of the Distribution Time, Transferring Scripps Employees who participated in the Scripps Executive CIC Plan immediately prior to the Distribution Time (“Former Scripps Executive CIC Plan Participants”) shall cease to participate in the Scripps Executive CIC Plan and, as of the Newspaper Merger Effective Time, Newco shall cause such Former Scripps Executive CIC Plan Participants to commence participation in the Newco Scripps Mirror Executive CIC Plan for the Newco Scripps Mirror Executive CIC Plan Period on terms and conditions substantially comparable in all material respects to those under the Scripps Executive CIC Plan, provided that the Newco Board of Directors may not amend or terminate the Newco Scripps Mirror Executive CIC Plan in a manner that materially adversely affects the rights of a Former Scripps Executive CIC Plan Participant during the Newco Scripps Mirror Executive CIC Plan Period; provided, however, that following the conclusion of the Newco Scripps Mirror Executive CIC Plan Period, the Newco Board of Directors may, in its sole discretion, amend or terminate the Newco Scripps Mirror Executive CIC Plan in accordance with the terms thereof with respect to Former Scripps Executive CIC Plan Participants or otherwise. The Newco Board of Directors may, in its sole discretion, limit participation in the Newco Scripps Mirror Executive CIC Plan solely to Former Scripps Executive CIC Plan Participants. Scripps shall have no obligations with respect to the Newco Scripps Mirror Executive CIC Plan, as it may be amended from time to time. Effective as of the Distribution Time, Scripps shall retain and hereby agrees to pay, perform, fulfill and discharge all Liabilities under the Scripps Senior Executive CIC Plan, as it may be amended from time to time, with respect to Scripps Participants.

**SECTION 8.04 Scripps Executive Severance Plan.** Prior to the Distribution Time, Newco shall take such actions as are necessary to adopt an executive severance plan (the “Newco Scripps Mirror Executive Severance Plan”) that provides benefits substantially comparable in all material respects to the benefits provided under The E.W. Scripps Company Executive Severance Plan (the “Scripps Executive Severance Plan”), as in effect on the date of this Agreement, for a period of one year after the Closing Date (the “Newco Scripps Mirror Executive Severance Plan Period”). As of the Distribution Time, Transferring Scripps Employees who participated in the Scripps Executive Severance Plan immediately prior to the Distribution Time (“Former Scripps Executive Severance Plan Participants”) shall cease to participate in the Scripps Executive Severance Plan and, as of the Newspaper Merger Effective Time, Newco shall cause such Former Scripps Executive Severance Plan Participants to commence participation in the Newco Scripps Mirror Executive Severance Plan for the Newco Scripps Mirror Executive Severance Plan Period on terms and conditions substantially comparable in all material respects to those under the Scripps Executive Severance Plan, provided that the Newco Board of Directors may not amend or terminate the Newco Scripps Mirror Executive Severance Plan in a manner that materially adversely affects the rights of a Former Scripps Executive Severance Plan Participant during the Newco Scripps Mirror Executive Severance Plan Period; provided, however, that following the conclusion of the Scripps Mirror Executive Severance Plan Period, the Newco Board of Directors may, in its sole discretion, amend or terminate the Newco Scripps Mirror Executive Severance Plan in accordance with the terms thereof with respect to Former Scripps Executive Severance Plan Participants or otherwise. The Newco Board of Directors may, in its sole discretion, limit participation in the Newco Scripps Mirror Executive Severance Plan solely to Former Scripps Executive Severance Plan Participants. Scripps shall have no obligations with respect to the Newco Scripps Mirror Executive Severance Plan, as it may be amended from time to time. Effective as of the Distribution Time, Scripps shall retain and hereby agrees to pay, perform, fulfill and discharge all Liabilities under the Scripps Executive Severance Plan, as it may be amended from time to time, with respect to Scripps Participants.

**SECTION 8.05 Scripps Retention Plan for General Managers and Publishers.** Prior to the Distribution Time, Newco shall take such actions as are necessary to adopt a retention plan (the “Newco Scripps Mirror Retention Plan”) that provides benefits substantially comparable in all material respects to the benefits provided under The E.W. Scripps Company Retention Plan for General Managers and Publishers (the “Scripps Retention Plan”), as in effect on the date of this Agreement, for a period of one year after the Closing Date (the “Newco Scripps Mirror Retention Plan Period”). As of the Distribution Time, Transferring Scripps Employees who participated in the Scripps Retention Plan immediately prior to the Distribution Time (the “Former Scripps Retention Plan Participants”) shall cease to participate in the Scripps Retention Plan and, as of the Newspaper Merger Effective Time, Newco shall cause such Former Scripps Retention Plan Participants to commence participation in the Newco Scripps Mirror Retention Plan for the Newco Scripps Mirror Retention Plan Period on terms and conditions substantially comparable in all material respects to those under the Scripps Retention Plan, provided that the Newco Board of Directors may not amend or terminate the Newco Scripps Mirror Retention Plan in a manner that materially adversely affects the rights of a Former Scripps Retention Plan Participant during the Newco Scripps Mirror Retention Plan Period; provided, however, the following the conclusion of the Newco Scripps Mirror Retention Plan Period, the Newco Board of Directors may, in its sole discretion, amend or terminate the Newco

Scripps Mirror Retention Plan in accordance with the terms thereof with respect to Former Scripps Retention Plan Participants Employees or otherwise. The Newco Board of Directors may, in its sole discretion, limit participation in the Newco Scripps Mirror Retention Plan solely to Former Scripps Retention Plan Participants. Effective as of the Distribution Time, Scripps shall retain and hereby agrees to pay, perform, fulfill and discharge all Liabilities under the Scripps Retention Plan with respect to Scripps Participants.

#### SECTION 8.06 Journal Severance and Retention Plan.

(a) Prior to the Distribution Time, Newco shall take such actions as are necessary to adopt a severance and retention plan (the “Newco Journal Mirror Severance and Retention Plan”) that provides benefits substantially comparable in all material respects to the benefits provided under Journal Communications, Inc. Severance and Retention Guidelines (the “Journal Severance and Retention Plan”), as in effect on the date of this Agreement, during the period ending on December 31, 2015 (the “Newco Journal Mirror Severance and Retention Plan Period”). As of the Distribution Time, Transferring Journal Employees who participated in the Journal Severance and Retention Plan immediately prior to the Distribution Time (“Former Journal Severance and Retention Plan Participants”) shall cease to participate in the Journal Severance and Retention Plan and, as of the Newspaper Merger Effective Time, Newco shall cause such Former Journal Severance and Retention Plan Participants to commence participation in the Newco Journal Mirror Severance and Retention Plan for the Newco Journal Mirror Severance and Retention Plan Period on terms and conditions substantially comparable in all material respects to those under the Journal Severance and Retention Plan, provided that the Newco Board of Directors may not amend or terminate the Newco Journal Mirror Severance and Retention Plan in a manner that materially adversely affects the rights of a Former Journal Severance and Retention Plan Participant during the Newco Journal Mirror Severance and Retention Plan Period; provided, however, that following the conclusion of the Newco Journal Mirror Severance and Retention Plan Period, the Newco Board of Directors may, in its sole discretion, amend or terminate the Newco Journal Mirror Severance and Retention Plan in accordance with the terms thereof with respect to Former Journal Severance and Retention Plan Participants or otherwise. The Newco Board of Directors may, in its sole discretion, limit participation in the Newco Journal Mirror Severance and Retention Plan solely to Former Journal Severance and Retention Plan Participants. Journal shall have no obligations with respect to the Newco Journal Mirror Severance and Retention Plan, as it may be amended from time to time. Effective as of the Distribution Time, Journal shall retain and hereby agrees to pay, perform, fulfill and discharge all Liabilities under the Journal Severance and Retention Plan, as it may be amended from time to time, with respect to Journal Participants.

(b) Effective as of the Newspaper Merger Effective Time, Journal shall assign to Scripps, and Scripps shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge all Liabilities under Journal Severance and Retention Plan with respect to Journal Participants who participated in the Journal Severance and Retention Plan immediately prior to the Distribution Time (“Former Journal Severance and Retention Plan Participants”) that first arise or accrue after the Distribution Time and during the period ending on December 31, 2015 (the “Assumed Journal Severance and Retention Plan Period”). Scripps may not amend or terminate the Journal Severance and Retention Plan in a manner that materially adversely affects the rights of a Former Journal Severance and Retention Plan Participant during the Assumed Journal Retention Plan Period; provided, however, the following the Assumed Journal Severance Retention Plan Period, Scripps may, in its sole discretion, amend or terminate the Journal Severance and Retention Plan with respect to Former Journal Retention Plan Participants or otherwise.

#### SECTION 8.07 Retention, Severance Pay Programs, Agreements, Practices, Policies or Procedures.

(a) Scripps. Scripps acknowledges and agrees that, except as otherwise provided herein, at and after the Distribution Time, it shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge all Liabilities under any retention, severance or termination pay program, practice, policy or procedure maintained by Scripps or Journal or any of their respective Affiliates or Subsidiaries for Scripps Participants and Journal Participants.

(b) Journal. Journal acknowledges and agrees that, except as otherwise provided herein, at and after the Distribution Time, it shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge all Liabilities under any retention, severance or termination pay program, practice, policy or procedure maintained by Journal or any of its Affiliates or Subsidiaries for Journal Participants; provided, however, that in the event that any Liability under such retention, severance or termination pay program, practice, policy or procedures arises at, or continues beyond, the Closing Date, Scripps shall make or shall cause a member of the Scripps Group to make payment to satisfy such Liability.

(c) Newco. Newco acknowledges and agrees that, except as otherwise provided herein, at and after the Distribution Time, it shall assume and hereby agrees to pay, perform, fulfill and discharge all Liabilities under any retention, severance or termination pay program, practice, policy or procedure maintained by Scripps or Journal, or any of their respective Affiliates or Subsidiaries, for Transferring Scripps Employees and Transferring Journal Employees, but only to the extent such Liabilities relate to a termination of employment or service that occurs after the Closing Date.

(d) Protection Period. For a one year period commencing on the Closing Date, each Scripps Employee and Transferring Scripps Employee shall be eligible to receive retention and/or severance benefits in amounts and on terms and conditions substantially comparable in all material respects to those provided under any retention, severance or termination pay program, practice, policy or procedure maintained by Scripps or any of its Affiliates or Subsidiaries on the date of execution of the MTA. For a one year period commencing on the Closing Date, each Journal Employee and Transferring Journal Employee (other than those who are participating in the Journal Severance and Retention Plan, which is addressed in Section 8.07 hereof) shall be eligible to receive retention and/or severance benefits in amounts and on terms and conditions substantially comparable in all material respects to those provided under any severance or termination pay program, practice, policy or procedure maintained by Journal or any of its Affiliates or Subsidiaries on the date of execution of the MTA.

(e) Duplication of Benefits. For the avoidance of doubt, nothing in this Agreement shall result in a duplication of retention, severance or termination pay benefits to any Transferring Scripps Employee, Transferring Journal Employee, Journal Participant or Scripps Participant.

#### SECTION 8.08 Individual Arrangements.

(a) Scripps Individual Arrangements. Scripps acknowledges and agrees that, except as otherwise provided herein, it shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge all Liabilities under any employment, change-in-control, consulting, non-competition, retention or other compensatory arrangement provided by Scripps or Journal, or any of their respective Affiliates or Subsidiaries, except as otherwise provided in Article 6 of this Agreement, to Scripps Participants and Journal Participants.

(b) Journal Individual Arrangements. Journal acknowledges and agrees that, except as otherwise provided herein, it shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge all Liabilities under any employment, change-in-control, consulting, non-competition, retention or other compensatory arrangement provided by Journal or any of its Affiliates or Subsidiaries, except as otherwise provided in Article 6 of this Agreement, to Journal Participants; provided, however, that in the event that any Liability under any such employment, change-in-control, consulting, non-competition, retention or other compensatory arrangement arises at, or continues beyond, the Closing Date, Scripps shall make or shall cause a member of the Scripps Group to make payment to satisfy such Liability.

(c) Newco Individual Arrangements. Newco acknowledges and agrees that, except as otherwise provided herein, it shall assume or retain, as applicable, and hereby agrees to pay, perform, fulfill and discharge all Liabilities under any employment, change-in-control, consulting, non-competition, retention or other compensatory arrangement provided by Scripps or Journal, or any of their respective Affiliates or Subsidiaries, to Transferring Scripps Employees and Transferring Journal Employees, but only to the extent such Liabilities relate to a termination of employment or service that occurs after the Closing Date.

SECTION 8.09 Effect of the Transactions on Severance. Scripps, Journal and Newco acknowledge and agree that none of the Transactions will trigger a separation from service (within the meaning of Section 409A of the Code) or other termination of employment of any Scripps Employee, Transferring Scripps Employee, Journal Employee or Transferring Journal Employee for purposes of any policy, plan, program or agreement maintained by Scripps, Journal, Newco or any of their respective Affiliates and Subsidiaries that provides for the payment of severance, separation pay, salary continuation or similar benefits in the event of a termination of employment. In the event of a claim that the Transactions triggered a separation from service (within the meaning of Section 409A of the Code) or other termination of employment of any Scripps Employee, Former Scripps Employee, Transferring Scripps Employee, Journal Employee, Former Journal Employee or Transferring Journal Employee for purposes of any policy, plan, program or agreement maintained by Scripps, Journal, Newco or any of their respective Affiliates and Subsidiaries that provides for the payment of severance, separation pay, salary continuation or similar benefits in the event of a termination of employment, any liability for such claims shall be borne by Scripps to the extent such claim relates to any Scripps Employee, Former Scripps Employee, or Transferring Scripps Employee, and by Journal to the extent such claim relates to any Journal Employee, Former Journal Employee or any Transferring Journal Employee.

SECTION 8.10 Adoption of Equity Incentive Plans by Newco. Prior to the Distribution Time, Newco shall (a) take such actions as are necessary to adopt an equity incentive plan, on terms and conditions to be established by the Newco Board of Directors in its sole discretion, and (b) receive shareholder approval with respect to such plan to the extent Newco deems necessary or appropriate to comply with (or qualify for an exemption from) Applicable Laws.

SECTION 8.11 Employment Tax Reporting Responsibility. Each of Scripps, Journal and Newco agrees to follow (or cause its Subsidiaries to follow) the standard procedure for United States employment tax reporting as provided in Section 4 of Rev. Proc. 2004-53, 2004-34 I.R.B. 320 with respect to Transferring Scripps Employees, Transferring Journal Employees and Journal Participants. Scripps Spinco and Journal Spinco will act as successor employers to Transferring Scripps Employees and

Transferring Journal Employees within the meaning of Section 3121(a)(1) of the Code and will adjust the withhold taxes on compensation paid to those individuals following the Distribution Time in accordance with that provision. Following the Broadcast Merger Effective Time, Scripps Broadcast Surviving LLC will act as successor employer to Journal Participants within the meaning of Section 3121(a)(1) of the Code and will adjust the withhold taxes on compensation paid to those individuals following the Broadcast Merger Effective Time in accordance with that provision.

SECTION 8.12 Section 409A of the Code. Notwithstanding anything in this Agreement to the contrary, the Parties agree to negotiate in good faith regarding the need for any treatment different from that otherwise provided herein to ensure compliance with, or to maintain exemption from, Section 409A of the Code.

## ARTICLE IX WORKERS' COMPENSATION LIABILITIES

SECTION 9.01 Pre-Closing Date Claims. Notwithstanding anything in this Agreement or the MTA to the contrary, Scripps and its Subsidiaries (other than the Scripps Newspaper Entities) shall retain all Assets and Liabilities relating to workers' compensation claims paid to or on behalf of Transferring Scripps Employees prior to the Closing Date; and, Journal and its Subsidiaries (other than the Journal Newspaper Entities) shall retain all Assets and Liabilities relating to workers' compensation claims paid to or on behalf of Transferring Journal Employees or Journal Broadcast Employees prior to the Closing Date. All such claims shall be paid in the ordinary course in accordance with past practice and Newco and Scripps shall cooperate to obtain appropriate insurance recoveries and coverage.

SECTION 9.02 Post-Closing Date Claims. Scripps shall retain all Assets and Liabilities relating to workers' compensation claims paid to or on behalf of Journal Broadcast Employees and Journal Newspaper Leave Employees on or after the Closing Date; and, Newco shall retain all Assets and Liabilities relating to workers' compensation claims paid to or on behalf of Active Transferring Journal Employees or Active Transferring Scripps Employees on or after the Closing Date.

SECTION 9.03 Independent Contractors. Any independent contractor who is covered by workers compensation pursuant to Section 102.07 of the Wisconsin Statutes, or pursuant to the comparable law of another state, shall be covered by the provisions of this Article IX.

SECTION 9.04 Cooperation. Scripps and Newco shall cooperate in good faith with respect to the notification to appropriate Governmental Authorities of the Distributions, the Newspaper Mergers, and Broadcast Merger and the issuance of new, or the transfer of existing, workers' compensation insurance policies and claims handling contracts.

SECTION 9.05 Reimbursements for Newspaper Leave Employees. Newco will reimburse Scripps for all Liabilities relating to workers' compensation (for which there are no Assets transferred to Scripps to cover such Liabilities) paid or satisfied after Closing, with respect to Journal Newspaper Leave Employees and Scripps Newspaper Leave Employees.

## ARTICLE X INDEMNIFICATION

SECTION 10.01 Indemnification by Newco. Newco shall indemnify, defend, release and hold harmless Scripps, each member of the Scripps Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "Scripps Indemnified Parties"), from and against any and all Damages actually incurred or suffered by the Scripps Indemnified Parties relating to, arising out of or resulting from (a) any breach by Newco or any member of the Newco Group of this Agreement or (b) any Liability assumed by Newco hereunder.

SECTION 10.02 Indemnification by Scripps. Scripps shall indemnify, defend, release and hold harmless Newco, each member of the Newco Group and each of their respective directors, officers and employees, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "Newco Indemnified Parties," and, together with Scripps Indemnified Parties, the "Indemnified Parties"), from and against any and all Damages actually incurred or suffered by the Newco Indemnified Parties relating to, arising out of or resulting from any (a) breach by Scripps or any member of the Scripps Group of this Agreement or (b) any Liabilities assumed by Scripps hereunder.

SECTION 10.03 Indemnification Procedures.

(a) The Indemnified Party agrees to give prompt notice to the party hereto against whom indemnity is sought (the "Indemnifying Party") of the assertion of any claim, or the commencement of any suit, Action or proceeding (each, a "Claim") in respect of which indemnity may be sought under this Article X and will provide the Indemnifying Party such information with respect thereto that the Indemnifying Party may reasonably request. The failure to so notify the Indemnifying Party shall not relieve

the Indemnifying Party of its obligations hereunder, except to the extent such failure shall have actually materially prejudiced the Indemnifying Party.

(b) The Indemnifying Party shall have the right, at its option, exercisable within thirty (30) days after receipt of such notice to assume the defense of, at its own expense and by its own counsel (which counsel shall be reasonably satisfactory to the Indemnified Party), any matter involving the asserted liability of the Indemnified Party ("Asserted Liabilities"), subject to the limitations set forth herein. If the Indemnifying Party shall undertake to compromise, settle or defend any such Asserted Liability, it shall promptly notify the Indemnified Party of its intention to do so, and the Indemnified Party agrees to cooperate fully with the Indemnifying Party and its counsel in the compromise or settlement of, or defense against, any such Asserted Liability; provided, however, that the Indemnifying Party shall not settle any such Asserted Liability without the written consent of the Indemnified Party unless such settlement releases the Indemnified Party from all liabilities and obligations with respect to the Asserted Liability and the settlement does not impose injunctive or other equitable relief against the Indemnified Party. Notwithstanding an election by the Indemnifying Party to assume the defense of such action or proceeding, the Indemnified Party shall have the right to employ separate counsel and to participate in the defense of such action or proceeding at its own expense. Notwithstanding anything herein to the contrary, the Indemnifying Party shall not be entitled to assume control of such defense but shall pay for the reasonable fees, costs and expenses of the Indemnified Party's legal counsel, which counsel shall be reasonably satisfactory to the Indemnifying Party, if (i) the claim for indemnification relates to or arises in connection with any criminal proceeding, action, indictment, allegation or investigation, (ii) the Indemnified Party has been advised by counsel that a reasonable likelihood exists of a conflict of interest between the Indemnifying Party, on the one hand, and the Indemnified Party, on the other hand, or (iii) the Indemnifying Party failed or is failing to prosecute or defend such claim. If the Indemnified Party shall undertake to compromise, settle or defend any Asserted Liability in accordance with the immediately preceding sentence or after the Indemnifying Party has declined to exercise its option to assume the defense of an Asserted Liability, the Indemnified Party shall promptly notify the Indemnifying Party of its intention to do so, and the Indemnifying Party agrees to cooperate fully with the Indemnified Party and its counsel in the compromise or settlement of, or defense against, any such Asserted Liability; provided, however, that the Indemnified Party shall not settle any such Asserted Liability without the written consent of the Indemnifying Party, which such consent shall not be unreasonably withheld, conditioned or delayed.

(c) Each party hereto shall cooperate, and cause their respective Affiliates to cooperate, in the defense or prosecution of any Claim by a third party and shall furnish or cause to be furnished such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials or appeals, as may be reasonably requested in connection therewith.

SECTION 10.04 Calculation of Damages. Any Damages payable by an Indemnifying Party pursuant to Article X shall be (a) reduced by any proceeds recovered by the Indemnified Party under applicable insurance policies, net of any costs incurred by the Indemnified Party in obtaining such proceeds, (b) reduced by any indemnity, contribution or other similar payment paid to the Indemnified Party by any Third Party with respect to such Damages, net of any costs incurred by the Indemnified Party in obtaining such payment and (c) reduced by an amount equal to any net tax benefit actually realized by the Indemnified Party as a consequence of such Damages. If an Indemnified Party receives a payment required by this Agreement from an Indemnifying Party in respect of any Liability and subsequently receives insurance proceeds, then the Indemnified Party will pay to the Indemnifying Party an amount equal to the excess of the payment received over the amount of the payment that would have been due if the insurance proceeds had been received, realized or recovered before the payment was made by the Indemnifying Party. Neither Scripps nor Newco shall be liable to any Indemnified Party for any punitive, incidental, consequential, special or indirect damages, including business interruption, loss of profit or loss of future revenue.

SECTION 10.05 Survival of Indemnities. The rights and obligations of each of Scripps and Newco and their respective Indemnified Parties under this Article X shall survive the sale or other transfer by any Party of any Assets or the assignment by it of any Liabilities.

SECTION 10.06 Remedies Cumulative. The remedies provided in this Article X shall be cumulative and shall not preclude assertion by any Indemnified Party of any other rights or the seeking of any and all other remedies against any Indemnifying Party; provided that the procedures set forth in this Article X shall be the exclusive procedures governing any indemnity action brought under this Agreement.

## ARTICLE XI GENERAL AND ADMINISTRATIVE

SECTION 11.01 Sharing Of Information. Scripps and Newco (acting directly or through their respective Subsidiaries or Affiliates) shall provide to the other and their respective agents and vendors all Information as the other may reasonably request to enable the requesting Party to administer efficiently and accurately each of its Benefit Plans, to assist Newco in obtaining its own insurance policies to provide benefits under Newco Benefit Plans, to transfer state unemployment and workers' compensation experience ratings and associated reserves, and to determine the scope of, as well as fulfill, its obligations under this Agreement;



provided, however, that in the event that any Party reasonably determines that any such provision of Information could be commercially detrimental to such Party or any of its Affiliates or Subsidiaries, violate any Applicable Law or agreement to which such Party or member of its Affiliates or Subsidiaries is a party, or waive any attorney-client privilege applicable to such Party or member of its Affiliates or Subsidiaries, the Parties shall provide any such Information and the Parties shall take all reasonable measures to comply with the obligations pursuant to this Section 11.01 in a manner that mitigates any such harm or consequence to the extent practicable, and the Parties agree to cooperate with each other and take such commercially reasonable steps as may be practicable to preserve the attorney-client privilege with respect to the disclosure of any such Information. Such Information shall, to the extent reasonably practicable, be provided in the format and at the times and places requested, but in no event shall the Party providing such Information be obligated to incur any out-of-pocket expenses not reimbursed by the Party making such request or make such Information available outside of its normal business hours and premises. The Parties also hereby agree to enter into any business associate agreements that may be required for the sharing of any Information pursuant to this Agreement to comply with the requirements of HIPAA.

SECTION 11.02 Reasonable Efforts/Cooperation. Each of the Parties will use its commercially reasonable efforts to promptly take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under Applicable Laws and regulations to consummate the transactions contemplated by this Agreement, including adopting plans or plan amendments. Each of the Parties shall cooperate fully on any issue relating to the transactions contemplated by this Agreement for which any other Party seeks a determination letter or private letter ruling from the IRS, an advisory opinion from the DOL or any other filing, consent or approval with respect to or by a Governmental Authority.

SECTION 11.03 Employer Rights. Except as expressly set forth in this Agreement, nothing in this Agreement shall prohibit Newco or any of its Subsidiaries or Affiliates from amending, modifying or terminating any Newco Benefit Plan at any time within its sole discretion. In addition, nothing in this Agreement shall prohibit Scripps or any of its Subsidiaries or Affiliates from amending, modifying or terminating any Scripps Benefit Plan at any time within its sole discretion.

SECTION 11.04 Non-Termination of Employment; No Third-Party Beneficiaries. No provision of this Agreement or the MTA shall be construed to create any right, or accelerate entitlement, to any compensation or benefit whatsoever on the part of any Scripps Employee, Journal Employee or Newco Employee or other future, present, or former employee of any member of the Scripps Group or Newco Group under any Benefit Plan or otherwise. Without limiting the generality of the foregoing, except as expressly provided in this Agreement, the occurrence of the Distributions, Newspaper Mergers, and Broadcast Merger, alone shall not cause any employee to be deemed to have incurred a termination of employment that entitles such individual to the commencement of benefits under any of the Benefit Plans. Furthermore, this Agreement is solely for the benefit of the Parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to or shall confer upon any other person or persons (including any employee or former employee of Scripps, Journal or Newco or any of their respective Subsidiaries or Affiliates or any beneficiary or dependent thereof) any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement. No provision in this Agreement shall modify or amend any other agreement, plan, program, or document unless this Agreement explicitly states that the provision "amends" that other agreement, plan, program, or document. This shall not prevent the Parties entitled to enforce this Agreement from enforcing any provision in this Agreement, but no other person shall be entitled to enforce any provision in this Agreement on the grounds that it is an amendment to another agreement, plan, program, or document unless the provision is explicitly designated as such in this Agreement, and the person is otherwise entitled to enforce the other agreement, plan, program, or document. If a person not entitled to enforce this Agreement brings a lawsuit or other action to enforce any provision in this Agreement as an amendment to another agreement, plan, program, or document, and that provision is construed to be such an amendment despite not being explicitly designated as one in this Agreement, that provision in this Agreement shall be void ad initio, thereby precluding it from having any amendatory effect. Furthermore, nothing in this Agreement is intended to confer upon any employee or former employee of Scripps, Journal or Newco or any of their respective Subsidiaries or Affiliates any right to continued employment, or any recall or similar rights to an individual on layoff or any type of approved leave.

SECTION 11.05 Consent of Third Parties. If any provision of this Agreement is dependent on the consent of any third party (e.g., any labor union) and such consent is withheld, the Parties hereto shall use their reasonable best efforts to implement the applicable provisions of this Agreement to the fullest extent practicable. If any provision of this Agreement cannot be implemented due to the failure of such third party to consent, the Parties hereto shall negotiate in good faith to implement the provision in a mutually satisfactory manner.

SECTION 11.06 Union Negotiations. Nothing in this Agreement shall be interpreted to require the Parties to violate any collective bargaining agreement or prevent the Parties from fulfilling any bargaining obligations they may have under the National Labor Relations Act. However, the Parties will use their reasonable best efforts to negotiate changes to collective bargaining agreements or other agreements consistent with this agreement to the fullest extent practicable and will not negotiate changes to any collective bargaining agreement or negotiate any other agreements with any labor union that would materially adversely affect the Transactions or the nature, scope or volume of the Parties rights or obligations under this Agreement.

SECTION 11.07 Access to Employees. Following the Closing Date, Scripps and Newco shall, or shall cause each of their respective Subsidiaries or Affiliates to, make available to each other those of their employees who may reasonably be needed in order to defend or prosecute any legal or administrative action (other than a legal action between any Scripps Group Member and any Newco Group Member) to which any employee, director or Benefit Plan of the Scripps Group or Newco Group is a party and which relates to their respective Benefit Plans prior to the Closing Date. The Party to whom an employee is made available in accordance with this Section 11.06 shall pay or reimburse the other Party for all reasonable expenses that may be incurred by such employee in connection therewith, including all reasonable travel, lodging, and meal expenses, but excluding any amount for such employee's time spent in connection herewith.

SECTION 11.08 Beneficiary Designation/Release of Information/Right to Reimbursement. To the extent permitted by Applicable Law and except as otherwise provided for in this Agreement, all beneficiary designations, authorizations for the release of information and rights to reimbursement made by or relating to Newco Employees, Active Transferring Journal Employees, or Active Transferring Scripps Employees under Scripps Benefit Plans or Journal Benefit Plans shall be transferred to and be in full force and effect under the corresponding Newco Benefit Plans until such beneficiary designations, authorizations or rights are replaced or revoked by, or no longer apply, to the relevant Newco Participant, Active Transferring Journal Employee or Active Transferring Scripps Employee.

SECTION 11.09 Effect of Broadcast Merger. Notwithstanding anything contained in this Agreement to the contrary, from and after the Broadcast Merger Effective Time, all Liabilities of Journal and Desk BC Merger, LLC assumed or retained under this Agreement shall become or remain the Liabilities of Scripps Broadcast Surviving LLC in accordance with Section 5.04(c) of the MTA.

## ARTICLE XII MISCELLANEOUS

SECTION 12.01 Relationship of Parties. Nothing in this Agreement shall be deemed or construed by the Parties or any third party as creating the relationship of principal and agent, partnership or joint venture between the Parties, it being understood and agreed that no provision contained herein, and no act of the Parties, shall be deemed to create any relationship between the Parties other than the relationship set forth herein.

SECTION 12.02 Affiliates. Each of Scripps and Newco shall cause to be performed, and hereby guarantees the performance of, all actions, agreements and obligations set forth in this Agreement to be performed by each of their Subsidiaries or Affiliates, respectively.

SECTION 12.03 Notices. All notices, requests, claims, demands and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally or by facsimile transmission or mailed (first class postage prepaid) to the Parties at the following addresses or facsimile numbers:

If to Scripps, to:

The E.W. Scripps Company  
312 Walnut Street, 28th Floor  
Cincinnati, Ohio 45202  
Facsimile: (513) 977-3720  
Attention: Lisa A. Knutson, Senior Vice President/Chief Administrative Officer

with a copy to:

The E.W. Scripps Company  
312 Walnut Street, 28th Floor  
Cincinnati, Ohio 45202  
Facsimile: (513) 977-3042  
Attention: William Appleton, Senior Vice President, General Counsel

If to Newco, to:

Boat NP Newco, Inc.  
333 West State Street  
Milwaukee, Wisconsin 53203  
Attention: Steven J. Smith  
Chief Executive Officer

Facsimile: (414) 224-2469

with a copy to:

Foley & Lardner LLP  
777 East Wisconsin Avenue  
Milwaukee, Wisconsin 53202-5306  
Attention: Benjamin F. Garmer III  
Russell E. Ryba  
Facsimile: (414) 297-4900

All such notices, requests and other communications will (a) if delivered personally to the address as provided in this Section 12.03, be deemed given upon delivery, (b) if delivered by facsimile transmission to the facsimile number as provided in this Section 12.03, be deemed given upon receipt and (c) if delivered by mail in the manner described above to the address as provided in this Section 12.03, be deemed given upon receipt (in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice, request or other communication is to be delivered pursuant to this Section 12.03). Any Party from time to time may change its address, facsimile number or other information for the purpose of notices to that Party by giving notice specifying such change to all other Parties.

SECTION 12.04 Entire Agreement. This Agreement, together with all exhibits and schedules hereto, and the applicable provisions of the MTA, the Scripps Tax Matters Agreement and the Journal Tax Matters Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter.

SECTION 12.05 Waiver. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. No waiver by any Party of any term or condition of this Agreement, in any one or more instances, shall be deemed or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by Applicable Law or otherwise afforded, will be cumulative and not alternative.

SECTION 12.06 Amendment. This Agreement may be amended, modified, waived, supplemented or superseded, in whole or in part, only by a written instrument signed by duly authorized signatories of the Parties.

SECTION 12.07 Governing Law and Submission to Jurisdiction; Waivers. Sections 15.07 and 15.13 of the MTA shall apply.

SECTION 12.08 Headings. The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

SECTION 12.09 Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

SECTION 12.10 No Assignment; Binding Effect. No Party shall be permitted to assign, in whole or in part, directly or indirectly, by operation of law nor otherwise, any of its rights or obligations under this Agreement without the prior written consent of the other Party and any unauthorized assignment shall be null and void. Notwithstanding such prohibition on assignment:

(a) Nothing herein shall prohibit, modify or limit the ability of the Parties to transfer or allocate Assets and Liabilities, as the case may be, to any entity within the Scripps Group or the Newco Group in connection with, or in furtherance of, the Distribution and, to the extent that any such transfer or allocation results in an assignment of this Agreement or any rights or obligations hereunder, then the Parties shall make such amendments, revisions or modifications to this Agreement as are reasonably necessary to reflect the effect of such assignment.

(b) Any Party may assign all, but not less than all, of its rights or obligations under this Agreement in connection with a consolidation or merger transaction in which such Party is not the continuing or surviving entity or the sale by such Party of all or substantially all of its properties and assets, provided that except with regard to the Newspaper Merger and the Broadcast Merger: (i) prior to such transaction becoming effective, the continuing, surviving or acquiring entity shall have executed and delivered to the other Parties a written agreement, in form and substance reasonably satisfactory to the other Parties, pursuant to which such entity agrees to be bound by all of the terms, conditions and provisions of this Agreement as if named as

a “Party” hereto and (ii) no Party shall be obligated to materially change the nature, scope or volume of its rights or obligations under this Agreement as a result of any such assignment.

SECTION 12.11 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Applicable Law, the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom.

### **ARTICLE XIII DISPUTE RESOLUTION**

SECTION 13.01 General. Except with respect to injunctive relief described below, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall attempt to be settled first, by good faith efforts of the Parties to reach mutual agreement, and second, if mutual agreement is not reached to resolve the dispute, by final, binding arbitration as set out below.

SECTION 13.02 Initiation. A Party that wishes to initiate the dispute resolution process shall send written notice to the other Parties, in accordance with Section 12.03, with a summary of the controversy and a request to initiate these dispute resolution procedures. Each Party shall appoint a knowledgeable, responsible representative who has the authority to settle the dispute, to meet and to negotiate in good faith to resolve the dispute. The discussions shall be left to the discretion of the representatives who may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations (a) shall be treated as confidential information developed for purposes of settlement, (b) shall be exempt from discovery and production and (c) shall not be admissible in the arbitration described above or in any lawsuit pursuant to Rule 408 of the Federal Rules of Evidence. Documents identified in or provided with such communications that are not prepared for purposes of the negotiations are not so exempted and may, if otherwise admissible, be admitted in evidence in the arbitration or lawsuit. The Parties agree to pursue resolution under this subsection for a minimum of 30 calendar days before requesting arbitration.

SECTION 13.03 Arbitration Request. If the dispute is not resolved under the preceding subsection within 30 calendar days of the initial written notice, any Party may demand arbitration by sending written notice to the other Parties. The Parties shall promptly submit the dispute to the American Arbitration Association for resolution by a single neutral arbitrator acceptable to both Parties, as selected under the rules of the American Arbitration Association. The dispute shall then be administered according to the American Arbitration Association’s Commercial Arbitration Rules, with the following modifications: (a) the arbitration shall be held in a location mutually acceptable to the Parties, and, if the Parties do not agree, the location shall be Cincinnati, Ohio; (b) the arbitrator shall be licensed to practice law; (c) the arbitrator shall conduct the arbitration as if it were a bench trial and shall use, apply and enforce the Federal Rules of Evidence and Federal Rules of Civil Procedure; (d) except for breaches related to Information subject to Section 11.01, the arbitrator shall have no power or authority to make any award that provides for consequential, punitive or exemplary damages or extend the term hereof; (e) the arbitrator shall control the scheduling so that the hearing is completed no later than 30 calendar days after the date of the demand for arbitration; and (f) the arbitrator’s decision shall be given within five calendar days thereafter in summary form that states the award, without written decision, which decision shall follow the plain meaning of this Agreement, and in the event of any ambiguity, the intent of the Parties. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction over the Parties. Each Party to the dispute shall bear its own expenses arising out of the arbitration, except that the Parties shall share the expenses of the facilities to conduct the arbitration and the fees of the arbitrator equally.

SECTION 13.04 Injunctive Relief. The foregoing notwithstanding, each Party shall have the right to seek injunctive relief in an applicable court of law or equity to preserve the status quo pending resolution of the dispute and enforce any decision relating to the resolution of the dispute.

[signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the date first above written.

THE E.W. SCRIPPS COMPANY

By: /s/ William Appleton  
Name: William Appleton  
Title: Senior Vice President and General Counsel

DESK NP OPERATING, LLC

By: /s/ Richard A. Boehne  
Name: Richard A. Boehne  
Title: Chief Executive Officer

BOAT SPINCO, INC.

By: /s/ Steven J. Smith  
Name: Steven J. Smith  
Title: Chief Executive Officer

DESK SPINCO, INC.

By: /s/ Richard A. Boehne  
Name: Richard A. Boehne  
Title: Chief Executive Officer

JOURNAL COMMUNICATIONS, INC.

By: /s/ Steven J. Smith  
Name: Steven J. Smith  
Title: Chairman and Chief Executive Officer

BOAT NP NEWCO, INC.

By: /s/ Steven J. Smith  
Name: Steven J. Smith  
Title: Chief Executive Officer

*[Signature Page to Employee Matters Agreement]*

**EXHIBIT A**

**Journal Welfare Plans**

1. Journal's Employee Handbook
2. Sales Commission Policy
3. Sales Commission Policy – Director of Business Development
4. Journal Communications, Inc. Delta Dental PPO Plan
5. Journal Communications, Inc. Delta Dental EPO Plan
6. Journal Communications, Inc. Flexible Spending Account Plans – Health Care and Dependent Care
7. Journal Communications, Inc. Employee Assistance Program Administered by Humana
8. Direct Deposit
9. Journal Communications, Inc. Eye Med Vision Plan
10. Journal Communications, Inc. Reliance Standard Long Term Disability Insurance
11. Journal Communications, Inc. Unum Long Term Care Insurance
12. Journal Communications, Inc. LifeLock Identity Theft Protection

13. Journal Communications, Inc. Hyatt Pre-paid Legal Expenses
14. Short Term Disability
15. Workers' Compensation Program
16. Vacation
17. Paid Time Off
18. Paid Holidays
19. Floating Holidays
20. Personal Hours
21. Unpaid Personal Leave of Absence
22. Family and Medical Leave
23. Bereavement
24. Jury Duty
25. Military Leave
26. Time Off to Vote
27. Overtime Pay
28. Under applicable state law, Journal's at-will employment relationship with each of its salaried and hourly employees could be determined an express or implied understanding of employment.

29. Journal Communications, Inc. Employee Welfare Benefit Trust, as amended and restated January 1, 2008
30. Journal Communications, Inc. Employees Welfare Benefit Master Plan Trust
31. Journal Communications, Inc. Reliance Standard Group Life Insurance Plan (including retiree life)
32. Journal Communications, Inc. Humana High Deductible Health Plan 1300 with a Health Savings Account
33. Journal Communications, Inc. Humana High Deductible Health Plan 2500 with a Health Savings Account
34. Journal Communications, Inc. Humana High Deductible Health Plan 5000 with a Health Savings Account
35. Journal Communications, Inc. Reliance Standard Accidental Death & Dismemberment Plan
36. Journal Communications, Inc. Flexible Benefits Plans
37. Journal Communications, Inc. Anthem Dental Plan
38. Journal Communications, Inc. Retiree Medical Plan (Humana Medicare Advantage Plans)



- 39. Journal Communications, Inc. Health Plan of Nevada Medical Plans (POS) (HMO)
- 40. Journal Communications, Inc. Group Travel & Accident Policy
- 41. Journal Retention / Severance Program

**EXHIBIT B**

**SCRIPPS WELFARE PLANS**

Scripps Choice Plan

Medical Plan

Dental Plan

Vision Plan

Life Management Program

Limited Purpose Health Care Spending Account

Dependent Care Spending Account

Life Insurance Plan

Accidental Death & Dismemberment Plan

Scripps Managed Disability Plan

Scripps Retiree Medical Program (Exhibit C)

Scripps Executive Life Insurance Plan

Group Travel Accident Policy of The E.W. Scripps Company

**EXHIBIT C**

**SCRIPPS RETIREE MEDICAL PROGRAM**

**Early Retirement Provision (of the Scripps Choice Medical Plan)**

Employees who are enrolled in the Scripps Choice medical plan and over the age of 55 with at least 10 years of service at the time of retirement can receive health insurance at the Company-wide group rate until they reach Medicare eligibility. At that time, if the spouse is not yet Medicare entitled, a spouse may receive health insurance at the Company-wide group rate for up to 10 additional years or until the spouse becomes Medicare eligible, whichever comes first.

**EXHIBIT D**

**JOURNAL RETIREE PROGRAM**

**PRE-MEDICARE RETIREE MEDICAL COVERAGE**

**Eligibility**

In order to receive the benefit, an employee must:

- Work for an eligible affiliate of Journal Communications (as described below)
- Have been hired full-time prior to January 1, 2002
- Have at least 10 years of continuous full-time service and
- Terminate employment after attaining age 55

In addition, retiree who turn:

- Age 50 *prior to* January 1, 2007 may receive an employer contribution based on years of service
- Age 50 *on or after* January 1, 2007; do not receive an employer contribution (Access Only)

**Cost Sharing**

- Service schedule for employees who retired *prior to* April 1, 2002 – plan rates same as active employees, with higher employer contribution percentage.
- Service schedule for employees who retired *on or after* April 1, 2002 – plan rates reflect actuarial experience of early retirees with a lower employer contribution percentage.
- Employees who turned age 50 on or after January 1, 2007 pay 100% (Access Only)

**MEDICARE-ELIGIBLE RETIREE MEDICAL COVERAGE**

**Eligibility**

In order to receive the benefit, an employee must:

- Work for an eligible affiliate of Journal Communications (as described below)
- Have been hired full-time prior to January 1, 2002
- Have at least 10 years of continuous full-time service and
- Terminate employment after attaining age 55

**Cost Sharing**

The amount of premium a retiree pays is based on when they retire from the organization. Employees who retired:

- Prior to April 1, 1993 – Journal Communication pays:
  - o \$35 each month up to the annual cap (\$420) per participant enrolled in Humana
- On or after April 1, 1993 – Journal Communications pays:
  - o A percentage of the monthly premium up to the annual cap (\$1,696) per participant enrolled in Humana
- From NorthStar Print Group or Temp Communications – Journal Communications pays:
  - o 42.5% of the monthly premium up to the annual cap (\$1,300) per participant enrolled in Humana

- On or after April 1, 2007 – Journal Communications provides Access only and the participant pays 100% of the premium. This is a standard fully-insured Medicare Advantage PPO Plan which is community rated.

#### **RETIREE LIFE BENEFIT**

- A closed group of grandfathered retirees.
- Retired prior to April 1, 1995
- Upon retirement, the death benefit is 50% of the active face amount. For certain retirees, the face amount further decreases beginning at age 70 according to one of the two pre-determined schedules:
- Schedule A: the death benefit is 40% of the active face amount at age 70, further decreased by 2.5% per year to 15% at age 80 or above. In no event, the death benefit is lower than \$2,000.
- Schedule B: the death benefit is 30% of the active face amount at age 70, further decreased by 2% per year to 10% at age 80 or above. In no event, the death benefit is lower than \$2,500.
- No retiree contribution.

**SCRIPPS TAX MATTERS AGREEMENT**

**Dated as of July 30, 2014**

**by and among**

**THE E. W. SCRIPPS COMPANY,  
on the one hand,**

**and**

**DESK SPINCO, INC. and BOAT NP NEWCO, INC.,  
on the other hand**

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## SCRIPPS TAX MATTERS AGREEMENT

THIS SCRIPPS TAX MATTERS AGREEMENT (this "Agreement") is dated as of the 30th day of July, 2014, by and among (i) The E. W. Scripps Company, an Ohio corporation ("Scripps"), on the one hand, and (ii) Desk Spinco, Inc., a Wisconsin corporation and an indirect subsidiary of Scripps ("Scripps Spinco"), and Boat NP Newco, Inc., a Wisconsin corporation ("Newco"), on the other hand. Capitalized terms used in this Agreement are defined as set forth in Section 1.01.

WHEREAS, the Board of Directors of Scripps has determined that it is in the best interests of Scripps to separate the newspaper business of Scripps and the broadcast business of Scripps (the "Distribution"), on the terms and subject to the conditions set forth in the Master Transaction Agreement, in order (i) facilitate the acquisitions described in the Master Transaction Agreement, consistent with regulatory requirements, (ii) allow for more tailored management incentives, (iii) increase the per-share combined value of the separated companies, (iv) separate businesses with differing strategic directions, (v) eliminate existing constraints regarding capital allocation, (vi) concentrate management focus, (vii) accommodate differing shareholder bases, and (viii) achieve other corporate business purposes including "fit-and-focus" benefits;

WHEREAS, in order to effectuate the foregoing, Scripps, Scripps Media, Inc., a Delaware corporation and wholly owned subsidiary of Scripps ("SMI"), Scripps Spinco, Desk NP Operating, LLC, a Wisconsin limited liability company and wholly owned subsidiary of SMI ("SNOC"), Desk BC Merger LLC, a Wisconsin limited liability company and wholly owned subsidiary of Scripps ("Scripps LLC"), Journal Communications, Inc., a Wisconsin corporation ("Journal"), Boat Spinco Inc., a Wisconsin corporation and wholly owned subsidiary of Journal ("Journal Spinco"), Newco, Desk NP Merger Co., a Wisconsin corporation and wholly owned subsidiary of Newco ("Scripps Newspaper Merger Co.") and Boat NP Merger Co., a Wisconsin corporation and wholly owned subsidiary of Newco ("Journal Newspaper Merger Co.") have entered into a Master Transaction Agreement, dated as of July 30, 2014 (the "Master Transaction Agreement"), pursuant to which and subject to the terms and conditions set forth therein, the Scripps Spinco Business shall be separated from the Scripps Business and pursuant to the Distribution, the Scripps Spinco Common Voting Shares shall be distributed on a pro rata basis to the holders of Scripps Class A Common Shares and Scripps Common Voting Shares;

WHEREAS, on the Distribution Date, Scripps Spinco and Journal Spinco will each be acquired directly or indirectly by Newco pursuant to the terms of the Master Transaction Agreement and Newco will be responsible for all obligations of Scripps Spinco pursuant to this Agreement;

WHEREAS, for U.S. federal income Tax purposes, through the Distribution Date, income of certain present and former members of the Scripps Spinco Group has been or will be included in Scripps Consolidated Returns;

WHEREAS, certain Scripps Spinco Combined Group members have filed or will file Combined Returns covering U.S. state and local income Taxes including as part of the Scripps Combined Return;

WHEREAS, Scripps Spinco and other members of the Scripps Spinco Group will cease to be members of the Scripps Group for U.S. federal income Tax purposes after the Distribution Date, and Scripps Spinco and other members of Scripps Spinco Combined Groups will cease to be members of the Scripps Combined Group for U.S. state and local income Tax purposes after the Distribution Date;

WHEREAS, the failure of the Distribution to have a Tax-Free Status or certain actions taken with respect to Scripps Spinco Capital Stock and Scripps Capital Stock could subject one or more of Scripps, SMI, Scripps Spinco and their shareholders to additional Tax costs in connection with the Distribution; and

WHEREAS, Scripps and Scripps Spinco desire in this Agreement to (i) set forth Tax allocation principles for Affiliation Years for U.S. federal income Tax purposes and Combined Years for U.S. state and local income Tax purposes, which, except to the extent provided herein, will supersede all prior policies and procedures governing the allocation of Taxes, (ii) define the effects upon the settlement and allocation of certain Tax liabilities and Tax benefits of transactions or developments that occur during taxable years commencing after the Distribution Date, (iii) set forth the responsibility for their respective stand-alone income and other Tax liabilities, and (iv) allocate liability for certain Tax costs that may be incurred in connection with the Distribution.

NOW, THEREFORE, in consideration of the foregoing, the promises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Scripps, Scripps Spinco and Newco hereby agree as follows:



**ARTICLE I**  
**DEFINITIONS AND STANDARDS**

SECTION 1.01. Definitions. For all purposes of this Agreement, the following terms shall have the following meanings:

“2014 Excess Scripps Group Benefits” shall have the meaning assigned to it in Section 2.01.

“2014 Tax Liability” shall have the meaning assigned to it in Section 2.01

“2014 Taxable Year” shall have the meaning assigned to it in Section 2.01.

“2015 Excess Scripps Group Benefits” shall have the meaning assigned to it in Section 2.02.

“2015 Tax Liability” shall have the meaning assigned to it in Section 2.02.

“2015 Taxable Year” shall have the meaning assigned to it in Section 2.02.

“Adjusted Separate Scripps Group Federal Tax Liability” shall mean, with respect to an Affiliation Year, the aggregate Adjusted Separate Scripps Member Federal Tax Liability for that Affiliation Year of all members of the Scripps Group.

“Adjusted Separate Scripps Spinco Group Federal Tax Liability” shall mean, with respect to a member of the Scripps Spinco Group and with respect to an Affiliation Year, the U.S. federal income Tax liability of such member for the portion of the Affiliation Year during which such member also is a member of the Scripps Group, such liability being computed applying the Highest Federal Tax Rate, computed as if such member has always filed a U.S. federal income Tax Return separately from the other members of the Scripps Group (a “Scripps Spinco Member Return”), and applying such U.S. Tax laws and regulations as would have been applicable to the member of the Scripps Spinco Group if it had so filed separately, but not taking into account any items that are predicated on base amounts determined on a consolidated basis such as research Credits, subject to the following:

(i) the member of the Scripps Spinco Group shall be treated as bound by all accounting methods, elections and other determinations adopted or made by Scripps for the Scripps Group for all Affiliation Years, including, but not limited to, determinations made in respect of carrybacks and carryovers;

(ii) the member of the Scripps Spinco Group shall be permitted to reduce (but not below zero) its Adjusted Separate Scripps Spinco Member Federal Tax Liability for an Affiliation Year to the extent that the Scripps Group is able to reduce its U.S. federal income Tax liability in the Scripps Consolidated Return for such Affiliation Year by utilizing items of deduction, loss, or Credit such member for such Affiliation Year that such member would have been unable to utilize (in its taxable years ending on or before the Distribution Date) if it had always filed a Scripps Spinco Member Return separately from the Scripps Spinco Group (“Excess Items”); provided, that if there are any limitations in the ability of the Scripps Group to utilize items in the same category as such Excess Items in their entirety for such year, the Scripps Spinco Group shall be limited in the reduction of its Adjusted Separate Scripps Spinco Group Federal Tax Liability to its share of such Excess Items on a Proportionate Basis; provided, further, that if, pursuant to the above provisions, an Excess Item is not usable, in whole or in part, by the Scripps Group in one Affiliation Year, it may, pursuant to Section 7.03, be carried over or carried back as an Excess Item to any other Affiliation Year subject to the same limitations as above; and

(iii) the taxable year of such member that begins on January 1, 2015 shall be treated as ending on the Distribution Date, and any items of income, gain, loss, deduction, or Credit of such member for the taxable year of such member that begins on the day after the Distribution Date shall be ignored; and

(iv) the items of income, gain, loss, deduction, or Credit of such member that are taken into account shall not include (A) any items attributable to any deemed sale of the assets of such member pursuant to Section 336(e) of the Code, or (B) any items attributable to the settlement of the accounts described in Section 2.02(d)..

“Adjustment” shall mean, with respect to any Affiliation Year or Combined Year, any change in actual Tax liability from the Tax liability reported on a Scripps Consolidated Return or Scripps Combined Return (as the case may be), including changes attributable to amended Tax Returns, deficiencies asserted by a Taxing authority, overpayments, and claims for refund, and changes required by application of the Code and Treasury Regulations and Taxing authority audits, examinations, proceedings or litigation resulting from any of the foregoing events (collectively, “Adjustment Events”).

“Adjustment Events” shall have the meaning assigned to it in the definition of “Adjustment.”

“Affiliate” shall mean any entity that is directly or indirectly controlled by the person in question; provided, however, that for purposes of this Agreement, immediately after the Effective Time no member of the Scripps Spinco Group shall be deemed to be an Affiliate of any member of the Scripps Group, and not member of the Journal Group shall be deemed to be an Affiliate of any member of the Scripps Spinco Group. For this purpose, “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and the policies of a person, whether through ownership of voting securities, by contract or otherwise.

“Affiliation Year” shall mean each taxable year of Scripps with respect to any portion of which any member of the Scripps Spinco Group joins Scripps in the filing of a Scripps Consolidated Return.

“AMT” shall have the meaning assigned to it in Section 2.03.

“Article VIII Taxes” shall have the meaning assigned to it in Section 8.03.

“Code” shall mean the Internal Revenue Code of 1986, as amended. Any references herein to sections of the Code or Treasury Regulations promulgated thereunder shall include any successor provisions thereto.

“Combined Return” shall mean a combined, consolidated, or unitary U.S. state or local income, franchise, business activities or gross receipts Tax Return.

“Combined State” shall mean a U.S. state or locality requiring or permitting the filing of a Combined Return.

“Combined State Total Tax Liability” shall have the meaning assigned to it in Section 3.02.

“Combined Year” shall mean each taxable year of Scripps with respect to any portion of which any member of a Scripps Spinco Combined Group joins Scripps in the filing of a Scripps Combined Return.

“Credits” shall mean all of the credits against U.S. federal income Tax or, as applicable, against U.S. state or local Tax. Credits shall include, but not be limited to, foreign Tax credits, research credits, low-income housing credits, investment Tax credits and targeted job credits.

“Designated Participant” shall have the meaning assigned to it in the Employee Matters Agreement.

“Distribution” shall mean the distribution on a *pro rata* basis to holders of issued and outstanding Scripps Class A Common Shares and Scripps Common Voting Shares, of all of the issued and outstanding Scripps Spinco Common Voting Shares (“Scripps Spinco Common Shares”), by means of a dividend of such Scripps Spinco Common Voting Shares to such shareholders.

“Distribution Date” shall mean the date on which the Distribution shall be effected, such date to be determined by, or under the authority of, the Board of Directors of Scripps in its sole and absolute discretion.

“Distribution Taxes” shall mean (i) any Taxes imposed on, or increase in Taxes incurred by, Scripps or any Scripps Affiliate, and any Taxes of a Scripps shareholder (or former Scripps shareholder) that are required to be paid or reimbursed by Scripps or any Scripps Affiliate, or by Scripps Spinco or any Scripps Spinco Affiliate, pursuant to a Final Determination; (ii) all professional fees and court costs incurred in connection with such Taxes; and (iii) all costs, expenses and damages associated with stockholder litigation or controversies, including but not limited to, any amount paid by Scripps, any Scripps Affiliate, Scripps Spinco, or any Scripps Spinco Affiliate, as the case may be, in respect of the liability of shareholders, whether paid to shareholders, the IRS, any other Taxing authority, or any other Person, in each case, arising from the Distribution and related transactions failing to have Tax-Free Status in any manner, provided that Scripps shall have vigorously defended itself in any legal proceeding involving Taxes of a Scripps shareholder, without regard to whether such Taxes are offset or reduced by any Tax asset, Tax Item, or otherwise resulting from, or arising in connection with, the failure of the Internal Distribution or the Distribution to qualify as transactions in which no income, gain or loss is recognized pursuant to sections 355 and 368(a)(1)(D) of the Code (including any Tax resulting from the application of section 355(d) or section 355(e) of the Code to the Internal Distribution or the Distribution) or corresponding provisions of the laws of any other jurisdictions. Any income Tax referred to in the immediately preceding sentence shall be determined using the highest applicable statutory corporate income Tax rate (or rates, in the case of an item that affects more than one Tax) for the relevant taxable period (or portion thereof) taking into account deductions for interest paid or accrued and other related Taxes, such as state and local Taxes.

“Effective Time” shall mean the time at which the Distribution occurs on the Distribution Date.

“Employee Matters Agreement” shall mean the Employee Matters Agreement of even date herewith by and among Scripps, Scripps Spinco, SNOC, Journal, Journal Spinco and Newco.

“Estimated State Taxes” shall have the meaning assigned to it in Section 3.06.

“Excess Items” shall have the meaning assigned to it in the definition of “Adjusted Separate Scripps Spinco Member Federal Tax Liability.”

“Excess Scripps Group Benefits” shall mean the amount by which the Parties agree that the Scripps Group was able to reduce its U.S. federal income Tax liability in the Scripps Consolidated Return for an Affiliation Year by use of any Excess Items that do not serve to reduce the Adjusted Separate Scripps Spinco Group Federal Tax Liability for such Affiliation Year, if zero, below zero (“Scripps Additional Excess Items”). Use of Scripps Additional Excess Items shall otherwise be subject to the same limitations and other provisions applicable to the use of Excess Items, as determined by the Parties in good faith.

“Fifty-Percent or Greater Interest” shall mean a “50-percent or greater interest” for purposes of Sections 355(d) and (e) of the Code and the Treasury Regulations promulgated thereunder.

“Final Determination” shall mean the final resolution of liability for any Tax for any taxable period, by or as a result of (i) a final and unappealable decision, judgment, decree or other order by any court of competent jurisdiction; (ii) a final settlement with the IRS, a closing agreement or accepted offer in compromise under section 7121 or section 7122 of the Code, or a comparable agreement under the laws of other jurisdictions, which resolves the entire Tax liability for any taxable period; (iii) any allowance of a refund or credit in respect of an overpayment of Tax, but only after the expiration of all periods during which such refund may be recovered by the jurisdiction imposing the Tax; or (iv) any other final disposition, including by reason of the expiration of the applicable statute of limitations.

“Foreign Attribute” shall mean any item of income, gain, loss or deduction or any asset or liability relevant to the computation of taxable income from sources without the United States and any item of Credit described in Section 901 or 902 of the Code (without regard to the limitation of Section 904 of the Code).

“Fraction” shall have the meaning assigned to it in Section 2.03(a).

“Group” shall mean the Scripps Group or the Scripps Spinco Group.

“Highest Combined Tax Rate” for the taxable year in question shall mean the sum of (i) the Highest Federal Tax Rate, and (ii) in the case of a corporation, the average, weighted by jurisdiction, of the highest U.S. state and local income, franchise, and gross receipts Tax rates that would be applicable to such a corporation (net of any U.S. federal income Tax benefit), or in the case of a Person other than a corporation, the highest U.S. state and local income Tax rates (net of any U.S. federal income Tax benefit) that would be applicable to such Person or the beneficial owner(s) of such Person.

“Highest Federal Tax Rate” for the taxable year in question shall mean (i) in the case of a corporation, the highest U.S. federal income Tax rate applicable to a corporation, or (ii) in the case of a Person other than a corporation, the highest U.S. federal income Tax rate that would be applicable to such Person or the beneficial owner(s) of such Person.

“Income Tax Benefit” shall mean the amount of the Tax savings realized by the applicable group, as determined by the Parties. Such amount shall be determined by comparing (i) the actual U.S. federal income Tax liability and the corresponding U.S. state and local income Tax liability (net of any federal Tax benefit) of the applicable group for the taxable year in question without giving effect to the items in question with (ii) the actual U.S. federal income Tax liability and the corresponding U.S. state and local Tax liability (net of any federal Tax benefit) of the applicable group for such year after giving full effect to such items. An Income Tax Benefit shall be deemed to be realized at the time that the applicable group receives a refund or credit for refund from the relevant Taxing authority.

“Income Tax Detriment” shall mean the amount of additional Tax incurred by the applicable group, as determined by the Parties. Such amount shall be determined by comparing (i) the actual U.S. federal income Tax and the corresponding U.S. state and local Tax liability (net of any U.S. federal income Tax benefit) of the applicable group for the taxable year in question after giving full effect to the items in question with (ii) the actual U.S. federal income Tax and the corresponding U.S. state and local Tax liability (net of any U.S. federal income Tax benefit) of the applicable group without giving effect to such items. Unless otherwise provided herein, an Income Tax Detriment shall be deemed to be incurred at such time as payment is made to the relevant Taxing authority upon a Final Determination of items in questions. In computing the Tax liability of the Scripps Group for purposes of clause (i) of the second sentence of this definition or clause (ii) of the second sentence of the definition of “Income Tax Benefit” above, increases or decreases in the U.S. federal, state or local income Tax liability of the Scripps Group attributable to the effect

on Scripps' (or any Scripps subsidiary's) basis in the stock of any member of the Scripps Spinco Group will not be taken into account.

“Internal Distribution” shall mean the distribution by SMI of all of the common stock of Scripps Spinco to Scripps.

“IRS” shall mean the U.S. Internal Revenue Service.

“Master Transaction Agreement” shall have the meaning assigned to it in the recitals to this Agreement.

“Minimum Tax Credit” shall have the meaning assigned to it in Section 2.03.

“Newco Common Stock” means the Common Stock, par value \$0.01 per share, of Newco.

“Newco Director” shall have the meaning assigned to it in the Employee Matters Agreement.

“Newco Participant” shall have the meaning assigned to it in the Employee Matters Agreement.

“Newspaper Businesses” shall mean the business conducted directly or indirectly by Scripps Spinco or its Affiliates.

“NOLs” shall have the meaning assigned to it in Section 3.03.

“Parties” shall mean, collectively, Scripps, Scripps Spinco and Newco.

“Party” shall mean, individually, Scripps, Scripps Spinco or Newco.

“Person” shall mean an individual or a partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, or other entity, without regard to whether such entity is treated as disregarded for U.S. federal income Tax purposes.

“Post-Affiliation Year” shall mean a taxable year of a member of the Scripps Spinco Group with respect to which such member does not join in the filing of a Scripps Consolidated Return.

“Post-Combined Year” shall mean a taxable year of a member of the Scripps Spinco Group with respect to which such member does not join in the filing of a Scripps Combined Return.

“Proportionate Basis” shall mean, with respect to an item or items attributable to a particular member or members of the Scripps Spinco Group, the determination of the portion of such items based on the total value of such items over the total value of all items in the same category for the entire Scripps Group for the same Affiliation Year of the Scripps Group, subject to any appropriate Adjustments thereto, as determined by the Parties.

“Proposed Scripps Group Acquisition Transaction” shall mean a transaction or series of transactions (or any agreement, understanding or arrangement, within the meaning of Section 355(e) of the Code and the Treasury Regulations promulgated thereunder, to enter into a transaction or series of transactions), as a result of which Scripps would merge or consolidate with any other Person or as a result of which any Person or any group of Persons would (directly or indirectly) acquire, or have the right to acquire through the acquisition of an option or otherwise, from Scripps and/or one or more holders of Scripps Capital Stock, an amount of Scripps Capital Stock that would, when combined with any other changes in ownership of Scripps Capital Stock pertinent for purposes of Section 355(e) of the Code and the Treasury Regulations promulgated thereunder, comprise 14% or more of (A) the value of all outstanding Scripps Capital Stock as of the date of such transaction, or in the case of a series of transactions, the date of the last transaction of such series, or (B) the total combined voting power of all outstanding Scripps Capital Stock as of the date of such transaction, or in the case of a series of transactions, the date of the last transaction of such series. For purposes of determining whether a transaction constitutes an indirect acquisition for purposes of the first sentence of this definition, any recapitalization resulting in a shift of voting power or any redemption of shares of stock shall be treated as an indirect acquisition of shares of stock by the non-exchanging shareholders. This definition and the application thereof are intended to monitor compliance with Section 355(e) of the Code and the Treasury Regulations promulgated thereunder.

“Proposed Scripps Spinco Acquisition Transaction” shall mean a transaction or series of transactions (or any agreement, understanding or arrangement, within the meaning of Section 355(e) of the Code and the Treasury Regulations promulgated thereunder, to enter into a transaction or series of transactions), as a result of which Newco or Scripps Spinco would merge or consolidate with any other Person or as a result of which any Person or any group of Persons would (directly or indirectly) acquire, or have the right to acquire through the acquisition of an option or otherwise, from Scripps Spinco and/or one or more holders of Scripps Spinco Capital Stock, an amount of Scripps Spinco Capital Stock that would, when combined with any other changes in

ownership of Scripps Spinco Capital Stock pertinent for purposes of Section 355(e) of the Code and the Treasury Regulations promulgated thereunder, comprise 4% or more of (A) the value of all outstanding Scripps Spinco Capital Stock as of the date of such transaction, or in the case of a series of transactions, the date of the last transaction of such series, or (B) the total combined voting power of all outstanding Scripps Spinco Capital Stock as of the date of such transaction, or in the case of a series of transactions, the date of the last transaction of such series. For purposes of determining whether a transaction constitutes an indirect acquisition for purposes of the first sentence of this definition, any recapitalization resulting in a shift of voting power or any redemption of shares of stock shall be treated as an indirect acquisition of shares of stock by the non-exchanging shareholders. This definition and the application thereof are intended to monitor compliance with Section 355(e) of the Code and the Treasury Regulations promulgated thereunder.

“RAR” shall have the meaning assigned to it in Section 8.03.

“Representation Letters” shall have the meaning assigned to it in Section 5.01.

“Scripps Additional Excess Items” shall have the meaning assigned to it in the definition of “Excess Scripps Group Benefits.”

“Scripps Affiliate” shall mean an Affiliate of Scripps other than Scripps Spinco and Scripps Spinco Affiliates.

“Scripps AMT Liability” shall have the meaning assigned to it in Section 2.03.

“Scripps Business” shall mean all businesses and operations of the Scripps Group, other than the Scripps Spinco Business.

“Scripps Capital Stock” shall mean all classes or series of stock of Scripps and all options, warrants, derivatives, rights to acquire stock, and other interests and instruments taken into account for purposes of determining a Fifty-Percent or Greater Interest in Scripps.

“Scripps Class A Common Shares” shall mean the Class A Common Shares, par value \$0.01 per share, of Scripps.

“Scripps Combined Group” shall mean an affiliated group of corporations (as constituted from time to time) consisting of Scripps and one or more Affiliates of Scripps that files a Scripps Combined Return.

“Scripps Combined Return” shall mean a Combined Return that is filed by Scripps on behalf of at least two of the following: (i) Scripps, (ii) one or more Affiliates of Scripps, (iii) Scripps Spinco, and (iv) one or more Affiliates of Scripps Spinco

“Scripps Common Voting Shares” shall mean the Shares, par value \$0.01 per share, of Scripps.

“Scripps Consolidated Return” shall mean a consolidated U.S. federal income Tax Return filed by Scripps on behalf of the Scripps Group.

“Scripps Director” shall have the meaning assigned to it in the Employee Matters Agreement.

“Scripps Group” shall mean the affiliated group of corporations (as constituted from time to time), of which Scripps is the common parent, which Scripps determines will join in filing a Scripps Consolidated Return.

“Scripps Group State Tax Liability” shall have the meaning assigned to it in Section 3.02.

“Scripps Issues” shall have the meaning assigned to it in Section 8.02.

“Scripps Options” shall have the meaning assigned to it in the Employee Matters Agreement.

“Scripps Participant” shall have the meaning assigned to it in the Employee Matters Agreement.

“Scripps Restricted Share Units” shall have the meaning assigned to it in the Employee Matters Agreement.

“Scripps Spinco Affiliate” shall mean an Affiliate of Scripps Spinco.

“Scripps Spinco AMT Liability” shall have the meaning assigned to it in Section 2.03.

“Scripps Spinco Business” shall mean the business and operations conducted by the Scripps Spinco Group from time to time, whether prior to, at or after the Effective Time, including the business and operations conducted by the Scripps Spinco Group.

“Scripps Spinco Capital Stock” shall mean all classes or series of stock of Scripps Spinco and all options, warrants, derivatives, rights to acquire stock, and other interests and instruments taken into account for purposes of determining a Fifty-Percent or Greater Interest in Scripps Spinco.

“Scripps Spinco Combined Group” shall mean a group of corporations (as constituted from time to time) that join in the filing of a Scripps Combined Return and that consist of (i) Scripps Spinco (if Scripps Spinco is in existence at the time as of which the determination of such group is made), and (ii) the corporations that, immediately after the Distribution, are Affiliates of Scripps Spinco. For the avoidance of doubt, the corporations described in clause (ii) of the immediately preceding sentence are members of the Scripps Spinco Combined Group even prior to the formation of Scripps Spinco.

“Scripps Spinco Common Voting Shares” shall mean the Common Voting Shares, par value \$0.01 per share, of Scripps Spinco.

“Scripps Spinco Consolidated Return” shall have the meaning assigned to it in the definition of “Adjusted Separate Scripps Spinco Group Federal Tax Liability.”

“Scripps Spinco Group” shall mean the group of corporations (as constituted from time to time) that join in the filing of a Scripps Consolidated Return and that consist of (i) Scripps Spinco (if Scripps Spinco is in existence at the time as of which the determination of such group is made), and (ii) the corporations that, immediately after the Distribution, are Affiliates of Scripps Spinco. For the avoidance of doubt, the corporations described in clause (ii) of the immediately preceding sentence are members of the Scripps Spinco Group even prior to the formation of Scripps Spinco.

“Scripps Spinco Group State Tax Liability” shall have the meaning assigned to it in Section 3.02.

“Scripps Spinco Issues” shall have the meaning assigned to it in Section 8.02.

“Scripps Spinco Member Return” shall have the meaning assigned to it in the definition of “Adjusted Separate Journal Spinco Member Federal Tax Liability”.

“Scripps Spinco Separate AMT” shall have the meaning assigned to it in 2.03.

“Scripps Spinco Unsettled Issues” shall have the meaning assigned to it in Section 8.03.

“Section 336(e) Election” shall have the meaning assigned to it in Section 15.01.

“Section 6.02 Claims” shall mean claims for refund attributable to items described in and filed pursuant to Section 6.02 of this Agreement.

“Tax” or “Taxes” shall mean any tax, assessment, duty, fee or other charge imposed or collected by any government or political subdivision thereof or any Taxing authority thereunder, including but not limited to, any income, gross income, gross receipts, profits, capital stock, franchise, withholding, payroll, social security, premium, guarantee fund, workers compensation, unemployment, disability, property, *ad valorem*, stamp, excise, severance, occupation, service, sales, use, license, lease, transfer, import, export, value added, minimum, alternative minimum, estimated or other tax (including any assessment, duty, fee or other charge in the nature of or in lieu of any such tax), and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

“Tax Advisor” shall mean a United States law or accounting firm of national standing in the field of taxation selected by the Parties.

“Tax Contest” shall mean an audit, review, examination, contest or any other administrative or judicial proceeding with the purpose or effect of redetermining Taxes of any Party (including any administrative or judicial review of any claim for refund) for any Tax period.

“Tax-Free Status” shall mean the qualification of the Distribution and related transactions as a distribution in which no gain or loss is recognized, and no amount is includible in income, for U.S. federal income Tax purposes (other than intercompany items, excess loss accounts or other items required to be taken into account pursuant to the Treasury Regulations promulgated under Section 1502 of the Code).

“Tax-Related Losses” shall mean (i) all U.S. federal, state and local Taxes payable pursuant to any Final Determination or otherwise; (ii) all professional fees, and court costs incurred in connection with such Taxes; and (iii) all costs, expenses and damages associated with stockholder litigation or controversies, including but not limited to, any amount paid by Scripps, any Scripps Affiliate, Scripps Spinco, or any Scripps Spinco Affiliate, as the case may be, in respect of the liability of shareholders, whether paid to shareholders, the IRS, any other Taxing authority, or any other person or entity, in each case, arising from the Distribution and related transactions failing to have Tax-Free Status in any manner.

“Tax Return” shall mean any Tax return (including any amended return), report, information return, election, notice or other document filed or to be filed with a Taxing authority, including any schedules or related or supporting information.

“TPIs” shall have the meaning assigned to it in Section 2.03.

“Transferring Scripps Employee” shall have the meaning assigned to it in the Employee Matters Agreement.

“Treasury Regulations” shall mean U.S. Treasury regulations issued under the Code.

“Unqualified Tax Opinion” shall mean an unqualified “will” opinion of a law firm of nationally recognized standing in the field of taxation. Any such opinion shall assume that the Distribution and related transactions would have qualified for Tax-Free Status had the transaction in question not occurred.

SECTION 1.02. General Interpretive Principles. (a) Words in the singular shall include the plural and vice versa, and words of one gender shall include the other gender, in each case, as the context requires, (b) the term “hereof,” “herein,” “hereunder,” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement and not to any particular provision of this Agreement, and any references to Article, Section, paragraph, exhibit and schedule are references to the Articles, Sections, paragraphs, exhibits and schedules to this Agreement unless otherwise specified, (c) the word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” unless otherwise specified, (d) any reference to any federal, state, local or non-U.S. statute or law shall be deemed to also refer to all rules and regulations promulgated thereunder, unless the context otherwise requires, and (e) any reference to any entity includes a reference to any predecessor or successor.

SECTION 1.03. Applicable Standards. Except as otherwise specifically provided herein, this Agreement shall supersede in all respects any and all policies and procedures governing the allocation of Tax liability among the members of the Scripps Group or any Scripps Combined Group. Except as otherwise specifically provided hereunder, all determinations and actions required under this Agreement will be taken by Scripps and shall be made in good faith taking into account, among other factors, the goal of reducing the aggregate Taxes of the Parties. It is the intention of the Parties that this Agreement shall be administered in a manner so that the allocation of income, deduction, loss or Credit between the Parties will produce Tax consequences for the Parties, on a current, carryback and carryover basis, that are consistent with those that are required by the Code and Treasury Regulations.

## **ARTICLE II U.S. CONSOLIDATED FEDERAL INCOME TAX LIABILITIES**

### SECTION 2.01. Affiliation Years.

(a) *Scripps Spinco and Scripps Tax Liabilities*. Scripps Spinco irrevocably designates and agrees to cause each of its Affiliates to so designate Scripps as its agent to take any and all actions necessary or incidental to the preparation and filing of Scripps Consolidated Returns. Scripps shall be responsible for, and shall indemnify and hold Scripps Spinco and the Scripps Spinco Affiliates harmless against all U.S. federal income Tax liabilities in respect of members of the Scripps Group (other than members of the Scripps Spinco Group) under Treasury Regulations Section 1.1502-6. Scripps Spinco shall be liable for and shall pay Scripps the Adjusted Separate Scripps Spinco Group Federal Tax Liability for each such Affiliation Year. Scripps shall pay Scripps Spinco for Excess Scripps Group Benefits, if any, for any such year if the Adjusted Separate Scripps Spinco Group Federal Tax Liability for such year is zero.

(b) *2014 Tax Liability*. At least three (3) business days before Scripps files the Scripps Consolidated Return for the 2014 Taxable Year, the Parties shall determine the amount of the 2014 Tax Liability and the amount of any Excess Scripps Group Benefits for such year (“2014 Excess Scripps Group Benefits”). Scripps Spinco shall pay to Scripps or Scripps shall pay to Scripps Spinco an amount equal to the difference between (i) the 2014 Tax Liability and (ii) (A) the sum of any payments previously made by Scripps Spinco to Scripps with respect to the 2014 Tax Liability (including any payments in the nature of installment estimated Tax payments with respect to the 2014 Tax Liability), reduced (to and below zero) by (B) the sum of any payments previously

made or to be made by Scripps to Scripps Spinco in respect of any 2014 Excess Scripps Group Benefits. The “2014 Tax Liability” is the Adjusted Separate Scripps Spinco Group Federal Tax Liability for the taxable year ending on December 31, 2014 (“2014 Taxable Year”). Any such payment by Scripps or by Scripps Spinco is due within five (5) business days after the filing the Scripps Consolidated Return for the 2014 Taxable Year.

#### SECTION 2.02. 2015 Taxable Year.

(a) *2015 Tax Liability.* Scripps agrees to indemnify and hold Scripps Spinco and Scripps Spinco Affiliates harmless against U.S. federal income tax liabilities in respect of members of the Scripps Group (other than members of the Scripps Spinco Group) under Treasury Regulation Section 1.1502-6. The “2015 Tax Liability” is the Adjusted Separate Scripps Spinco Group Federal Tax Liability for the taxable year beginning on January 1, 2015 and ending on and including the Distribution Date (the “2015 Taxable Year”). Scripps shall pay Scripps Spinco for the Excess Scripps Group Benefits, if any, for the taxable year of the Scripps Group beginning on January 1, 2015 if the Adjusted Separate Scripps Spinco Group Federal Tax Liability is zero under the preceding sentence (“2015 Excess Scripps Group Benefits”).

(b) *Estimated Payments, Etc.* From and after the date of this Agreement, Scripps Spinco shall pay to Scripps no later than the day before each due date for the payment of quarterly estimated U.S. federal income Taxes for the taxable year of the Scripps Group ending on December 31, 2015 and the payment due March 15, 2016 the difference, if any, between (A) 2015 Tax Liability due based on the method for making estimated payments elected by Scripps pursuant to Section 6655 of the Code, and (B) the sum of any payments previously made (or deemed paid) by Scripps Spinco to Scripps with respect to the 2015 Tax Liability.

(c) *Payment Upon Filing Return.* At least three (3) business days before the day that Scripps files the Scripps Consolidated Return for the taxable year beginning on January 1, 2015, Scripps shall determine the amount of the 2015 Tax Liability and the amount of any 2015 Excess Scripps Group Benefits. Scripps Spinco shall pay to Scripps or Scripps shall pay to Scripps Spinco, as the case may be, the difference between (i) the 2015 Tax Liability and (ii) (A) the sum of the payments previously made by Scripps Spinco to Scripps with respect to the 2015 Tax Liability (including any payments in the nature of installment estimated payments with respect to the 2015 Tax Liability) reduced (to and below zero) by (B) the sum of any payments previously made or to be made by Scripps to Scripps Spinco in respect of any 2015 Excess Scripps Group Benefits. Any such payment by Scripps or by Scripps Spinco is due within five (5) business days after the filing of the Scripps Consolidated Return for the 2015 Taxable Year.

(d) *Settling Tax Payable Accounts.* All payments pursuant to Articles II or III between Scripps and Scripps Spinco that are made after the date of this Agreement and prior to the Distribution Date shall be made through an increase or decrease in intercompany accounts between Scripps and Scripps Spinco. On the business day immediately preceding the Distribution Date, Scripps Spinco and Scripps shall cooperate to (i) forecast (based on the most accurate and complete information then available) the total amount of all payments that, under Article II (not including this Section 2.02(d)) and under Article III, remain to be made with respect to the taxable year beginning January 1, 2015 and prior taxable years, and (ii) arrange to have all such forecasted payments made on such day through an increase or decrease in intercompany accounts between Scripps and Scripps Spinco. At the close of the business day immediately preceding the Distribution Date, Scripps and Scripps Spinco shall settle all intercompany account obligations then existing with respect to Taxes for all Affiliation Years and all Combined Years as follows: (i) any account obligations of Scripps Spinco that are owned by Scripps shall be netted against any account obligations of Scripps that are owned by Scripps Spinco; (ii) if the net remaining account obligation is owed by Scripps Spinco to Scripps, then this account obligation shall be transferred on such day by Scripps to Scripps Spinco as a contribution to capital; and (iii) if the net remaining account obligation is owed by Scripps to Scripps Spinco, then this account obligation shall be transferred on such day by Scripps Spinco to Scripps as a distribution. Such settlement shall not be deemed to affect the treatment of the prior increases and decreases in the intercompany accounts described above in this Section 2.02(d) as being payments for purposes of this Agreement.

(e) *Assignment of Taxable Items.* The Parties shall determine the amounts of income, gain, loss, deduction, and Credit of the Scripps Spinco Group for the 2015 Taxable Year that are properly includable in the Scripps Consolidated Return for the taxable year of the Scripps Group beginning on January 1, 2015. For all relevant purposes of this Agreement, the members of the Scripps Spinco Group and each Scripps Spinco Combined Group shall cease to be members of the Scripps Group and their respective Scripps Combined Group, as of the end of the Distribution Date, and Scripps Spinco shall cause the books of account of the members of the Scripps Spinco Group and the Scripps Spinco Combined Groups to be closed for accounting and Tax purposes as of the end of the Distribution Date in accordance with Scripps’ direction. In determining consolidated taxable income for the taxable period that ends on the Distribution Date, the income and other items of the Scripps Spinco Group shall be determined in accordance with Treasury Regulations Sections 1.1502-76(b)(1), -76(b)(2)(i) and -76(b)(2)(iv) and no election shall be made under Treasury Regulations Section 1.1502-76(b)(2)(ii)(D) to ratably allocate items. However, an allocation shall be made under Treasury Regulations Section 1.1502-76(b)(2)(iii) if such allocation is determined by the Parties to be necessary to appropriately allocate income in the event that the Distribution Date occurs on any date other than the last or first day of any month. Pursuant to Treasury Regulations Section 1.1502-76(b)(2)(vi), any item of a pass-through entity that is owned by a member of the Scripps



Spinco Group shall be allocated as if such member sold its entire interest in the entity immediately before the Distribution. In the event that a member or members of the Scripps Spinco Group would be treated as owning an interest of less than 50% in the aggregate in such pass-through entity, then pursuant to Treasury Regulations Section 1.706-1(c)(2)(ii), each such member's share of any distributive items shall be the amount determined by taking into account the pro rata part of such items that such member would have included in taxable income had such member remained a partner or owner of the pass-through entity until the end of the partnership tax year based on the portion of the partnership taxable year that has elapsed through the Distribution Date or upon such other reasonable method that the Parties may agree. Scripps Spinco and Scripps Spinco Affiliates shall file their respective Tax Returns for the taxable period beginning on the first day after the Distribution Date consistently with such determinations.

(f) *Determining Foreign Attributes.* Without limiting the foregoing, the Parties shall also determine the portion of any Foreign Attribute for the Scripps Spinco Group that is allocable to the 2015 Taxable Year, provided, that such portion to be allocated will not include any amount described in Section 951(a) of the Code (relating to inclusions in income of controlled foreign corporation earnings) or any amount described in Section 1293(a) of the Code (relating to inclusions in income of qualified electing fund earnings), or any indirect foreign Tax Credit under Sections 960 and 1293(f) of the Code for foreign income Taxes deemed paid with respect to either of these items; and provided, further, that, without the prior written consent of Scripps, such consent not being unreasonably withheld, conditioned or delayed, Scripps Spinco and its subsidiaries shall not elect to recapture an amount of taxable income from sources without the U.S. of any member of the Scripps Spinco Group greater than the minimum amount required by Section 904(f)(1) of the Code for any Affiliation Year. Scripps Spinco shall provide Scripps with all information it reasonably requests to make any determination under this Section 2.02(f). Scripps shall likewise share all information with Scripps Spinco necessary for Scripps Spinco to determine its share of the consolidated foreign Tax Credits for the Affiliation Year ending December 31, 2015 and all prior Affiliation Years.

#### SECTION 2.03. U.S. Federal Alternative Minimum Tax.

(a) *Scripps Spinco Tax Liability.* Notwithstanding any other provision in this Agreement, if, for any Affiliation Year, the Scripps Group is liable for alternative minimum Tax for U.S. federal income Tax purposes (or any similar U.S. federal Tax) ("AMT") and the Scripps Spinco Group would be liable for AMT if it filed a Tax Return as a separate consolidated group ("Scripps Spinco Separate AMT"), the amount payable by Scripps Spinco to Scripps under this Article II with respect to such Affiliation Year shall in no event be less than an amount (the "Scripps Spinco AMT Liability") determined by the Parties equal to the product of the AMT liability for the Scripps Group (the "Scripps AMT Liability") and a fraction (the "Fraction") (x) the numerator of which is the sum of the Tax preference items and adjustments of the Scripps Spinco Group relevant for purposes of the computation of AMT (the "TPIs") for such Affiliation Year and (y) the denominator of which is the sum of the TPIs of all members of the Scripps Group for such Affiliation Year. The Scripps Spinco AMT Liability for such Affiliation Year shall not exceed the amount of the Scripps Spinco Separate AMT for such Affiliation Year.

(b) *Minimum Tax Credits.* If for any Affiliation Year Scripps Spinco has paid to Scripps the Scripps Spinco AMT Liability, Scripps shall pay to Scripps Spinco its proportionate share (determined below) of the minimum Tax credit for U.S. federal income Tax purposes (the "Minimum Tax Credit") arising from such Affiliation Year which is actually utilized by the Scripps Group in a subsequent Affiliation Year. Scripps Spinco's proportionate share of such credit for any Affiliation Year shall be equal to the product of such credit and the Fraction (defined in subsection (a) above). In no event shall Scripps Spinco be paid amounts in the aggregate in respect of such credit in excess of the corresponding Scripps Spinco AMT Liability.

### ARTICLE III U.S. COMBINED STATE AND LOCAL INCOME TAX LIABILITIES

SECTION 3.01. Returns Covered. If Scripps Spinco or any Scripps Spinco Affiliate is required to join in a Scripps Combined Return, the allocation and settlement of amounts due among the Parties shall be governed by this Article III. Scripps Spinco irrevocably designates and agrees to cause each of its Affiliates to so designate Scripps as its agent to take any and all actions necessary or incidental to the preparation and filing of Scripps Combined Returns.

SECTION 3.02. Liability of Scripps Spinco. For the taxable year beginning on January 1, 2015, and for each prior taxable year, the Parties shall determine each Scripps Spinco Combined Group's respective share, as determined below, of the total U.S. state and local Tax liability in each such Combined State (each a "Combined State Total Tax Liability"). The Scripps Spinco Combined Group's share of each Combined State Total Tax Liability ("Scripps Spinco Group State Tax Liability") will be based on the apportionment percentage of all members of the Scripps Spinco Combined Group, determined with reference only to those companies that are subject to such state's taxing jurisdiction, as if such members of the Scripps Spinco Combined Group had filed a separate Combined Return; provided, however, that in the case of the taxable year beginning on January 1, 2015, such determination of the Scripps Spinco Group State Tax Liability shall not take into account any items of income, gain, loss, deduction, or Credit attributable to any deemed sale of the assets of any member of the Scripps Spinco Combined Group pursuant to Section 336(e) of the Code. The Scripps Spinco Group State Tax Liability shall include any minimum or similar Taxes for members of each Scripps Spinco Combined Group that may be required by the relevant state or locality. Scripps shall be responsible for, and

shall indemnify and hold Scripps Spinco and the Scripps Spinco Affiliates harmless against all Combined Return Tax liabilities in respect of members of the Scripps Group; provided, however, that Scripps Spinco shall be liable for and shall pay Scripps the Scripps Spinco Group State Tax Liability for each Combined Return for all taxable years ending on, before or including the Distribution Date.

SECTION 3.03. Operating Losses. The Scripps Spinco Group State Tax Liability will not be reduced by, nor will Scripps Spinco or any other Scripps Spinco Combined Group member receive any payment, credit or benefit for, U.S. state or local net operating losses (“NOLs”), including any carryback or carryover NOLs, that any such member generates for U.S. state or local income Tax purposes on a stand-alone basis, whether or not they are used in a Combined Return (except insofar as such NOLs may reduce the Scripps Spinco Combined Group’s share of the total U.S. state and local Tax liability for a Total Combined Return).

SECTION 3.04. Short-Year State and Local Returns. The Parties agree that Combined Returns filed for Tax periods beginning January 1, 2015, will reflect a short taxable year for Scripps Spinco ending on the Distribution Date in any state or local taxing jurisdiction in which such Tax year is allowed by administrative practice, whether or not required by law.

SECTION 3.05. Estimated Taxes, Etc. For each Combined State, the Parties will determine the Scripps Spinco Combined Group’s estimated Tax payments and extension payments (collectively, “Estimated State Taxes”), will prescribe the information required to be provided by the Scripps Spinco Combined Group to support Scripps’ preparation and filing of Combined Returns and payment of Estimated State Taxes, together with a schedule of due dates for providing of such information and paying its share of Estimated State Taxes, and Scripps Spinco will timely and accurately provide and pay the same to Scripps, the Parties will calculate the aggregate Scripps Spinco Group State Tax Liability for all Combined States for a Combined Year less a credit for aggregate Estimated State Taxes paid or determine the refund due to Scripps Spinco to the extent aggregate Estimated State Taxes paid by Scripps Spinco exceed the aggregate Scripps Spinco Group State Tax Liability. For each Combined Return, payment by Scripps Spinco to Scripps is due within three (3) business days before the date such Tax are required to be paid. Payment by Scripps to Scripps Spinco of any Scripps Spinco overpayment is due within five (5) business days after the return including the overpayment is filed.

SECTION 3.06. Adjustments.

(a) If an Adjustment occurs, the Scripps Spinco Group State Tax Liability for the year in question shall be recomputed by the Parties, including all changes to apportionment percentages that result from such Adjustment. Scripps Spinco shall make payments to Scripps for an increase in the Scripps Spinco Group Tax Liability or Scripps shall make payments to Scripps Spinco for a decrease in the Scripps Spinco Group Tax Liability, including its allocable share of interest, penalties and additions to Tax and external costs. Payment in respect of such Adjustments by Scripps Spinco is due at least one (1) business day before the date payment of such Adjustment is required to be made. Payment in respect of such Adjustments by Scripps is due within five (5) business days after Scripps receives a refund or credit for refund in respect of the items in question.

(b) Subject to Article VIII, the Parties shall jointly control all Tax Contests relating to any such Adjustments.

#### **ARTICLE IV SEPARATE TAX RETURN OBLIGATIONS**

SECTION 4.01. Scripps Spinco Tax Liability. Scripps Spinco shall be responsible for, and shall indemnify and hold harmless Scripps and Scripps Affiliates against, any and all U.S. federal, state, local and non-U.S. Taxes that are required to be reported on any separate Tax Return of Scripps Spinco or a Scripps Spinco Affiliate.

SECTION 4.02. Scripps Tax Liability. Scripps shall be responsible for, and shall indemnify and hold harmless Scripps Spinco and Scripps Spinco Affiliates against, any and all U.S. federal, state, local and non-U.S. Taxes that are required to be reported on any separate Tax Return of Scripps or a Scripps Affiliate.

SECTION 4.03. Separate Return Adjustments. If there is an adjustment to a separate Tax Return of Scripps or a Scripps Affiliate, or of Scripps Spinco or a Scripps Spinco Affiliate, as the case may be, that results in the inclusion in income in such Tax Return of income attributable to the other group of companies, and the recipient thereby incurs an Income Tax Detriment, Scripps Spinco shall pay to Scripps or Scripps shall pay to Scripps Spinco, as the case may be, an amount equal to such Income Tax Detriment (including any interest, penalties and additions to Tax) within thirty (30) business days after the Final Determination of such Income Tax Detriment.

**ARTICLE V**  
**TAX-FREE STATUS OF DISTRIBUTION**

SECTION 5.01. Tax-Free Status Opinion, Etc. Neither Newco nor Scripps Spinco shall take or fail to take, and shall not permit any of their Affiliates to take or fail to take, any action inconsistent with or that will cause to be untrue any material information or representation in the representation letters that the Tax Advisor relied upon in rendering an opinion or opinions on the Tax-Free Status ("Representation Letters") or formal advice or opinion. Scripps shall not take or fail to take, and shall not permit any Scripps Affiliates to take or fail to take, any action inconsistent with or that will cause to be untrue any material information or representation in the Representation Letters or formal advice or opinion. In the event any material information or representation in the Representation Letters shall be untrue, Scripps and Scripps Spinco shall allocate the Distribution Taxes arising therefrom 60% to Scripps and 40% to Scripps Spinco, Scripps Spinco shall be responsible for, and shall indemnify and hold Scripps and Scripps Affiliates, and their direct and indirect shareholders harmless against, 40% of any Distribution Taxes and Scripps shall be responsible for and shall indemnify and hold Scripps Spinco and Scripps Spinco Affiliates, and their direct and indirect shareholders harmless against 60% of any Distribution Taxes.

SECTION 5.02. Maintaining Status of Active Business. Scripps Spinco agrees that it intends to maintain the status of the Newspaper Businesses as an active trade or business as defined in Section 355(b)(2) of the Code and the Treasury Regulations promulgated thereunder, that is part of, or treated as part of, the Scripps Spinco Group for U.S. federal income Tax purposes. Scripps agrees that it intends to maintain the status of the Scripps Businesses as an active trade or business as defined in Section 355(b)(2) of the Code and the Treasury Regulations promulgated thereunder that is part of, or treated as part of the Scripps Group for U.S. federal income Tax purposes.

SECTION 5.03. Limits on Proposed Acquisition Transactions.

(a) Scripps Spinco agrees that, from the date hereof until the first day after the second anniversary of the Distribution Date, it shall not (i) enter into any Proposed Scripps Spinco Acquisition Transaction, approve any Proposed Scripps Spinco Acquisition Transaction or, to the extent Scripps Spinco has the right to prohibit any Proposed Scripps Spinco Acquisition Transaction, permit any Proposed Scripps Spinco Acquisition Transaction to occur (whether by redeeming rights under a shareholder rights plan, finding a tender offer to be a "permitted offer" under any such plan or otherwise causing any such plan to be inapplicable or neutralized with respect to any Proposed Scripps Spinco Acquisition Transaction), (ii) merge or consolidate with any other Person or liquidate or partially liquidate, (iii) sell or otherwise transfer in a single transaction or series of transactions 4% or more of the gross or net assets of the Scripps Spinco Business or 4% or more of the consolidated gross or net assets of Scripps Spinco and the Scripps Spinco Affiliates (such percentages to be measured based on fair market value as of the Distribution Date), (iv) redeem or otherwise repurchase (directly or through a Scripps Spinco Affiliate) any Scripps Spinco Capital Stock, or rights to acquire such stock; (v) amend its certificate of incorporation (or other organizational documents), or take any other action, whether through a stockholder vote or otherwise, affecting the voting rights of Scripps Spinco Capital Stock (including, without limitation, through the conversion of one class of Scripps Spinco Capital Stock into another class of Scripps Spinco Capital Stock) or (vi) take any other action or actions (including any action or transaction that would be reasonably likely to be inconsistent with any representation made in the Representation Letters, or any rulings, formal advice or opinion described in Section 5.01 above) which in the aggregate (including the transactions specifically set forth in the Master Transaction Agreement and also taking into account any other transactions described in this Section 5.03) would be reasonably likely to have the effect of causing or permitting one or more Persons (whether or not acting in concert) to acquire, directly or indirectly, Scripps Spinco Capital Stock representing a Fifty-Percent or Greater Interest in Scripps Spinco or otherwise jeopardize the Tax-Free Status, unless prior to taking any such action set forth in the foregoing clauses (i) through (vi), (A) Scripps Spinco shall have requested that Scripps obtain a private letter ruling from the IRS and Scripps shall have received such a ruling in form and substance satisfactory to Scripps that confirms that the Tax-Free Status will be preserved, taking into account such action and other transactions in the aggregate, or (B) Scripps Spinco shall provide Scripps with an Unqualified Tax Opinion in form and substance acceptable to Scripps (and on which Scripps may rely) that confirms that the Tax-Free Status will be preserved, taking into account such action and other transactions in the aggregate, or (C) Scripps shall have waived the requirement to obtain such ruling or opinion. In determining whether such a ruling is satisfactory or such opinion is acceptable, Scripps may consider, among other factors, the appropriateness of any underlying assumptions and representations made in connection with such ruling or opinion. To the extent that any such ruling or opinion concerns the acquisition of a Fifty-Percent or Greater Interest in Scripps Spinco, it shall expressly conclude that such acquisition will satisfy one or more of the safe harbors described in the Treasury Regulations promulgated under Section 355(e) of the Code. Scripps Spinco shall bear all costs and expenses of securing any such ruling or opinion and shall reimburse Scripps for all external costs and expenses that it may incur in good faith in seeking to obtain or evaluate any such ruling or opinion. Notwithstanding the above, this Section 5.03(a) shall not apply to limit any of the transactions specifically set forth in the Master Transaction Agreement; provided, however, those transactions shall be taken into account to analyze subsequent transactions pursuant to this section.

(b) Scripps agrees that, from the date hereof until the first day after the second anniversary of the Distribution Date, it shall not (i) enter into any Proposed Scripps Group Acquisition Transaction, approve any Proposed Acquisition Transaction or,

to the extent Scripps has the right to prohibit any Proposed Scripps Group Acquisition Transaction, permit any Proposed Scripps Group Acquisition Transaction to occur (whether by redeeming rights under a shareholder rights plan, finding a tender offer to be a “permitted offer” under any such plan or otherwise causing any such plan to be inapplicable or neutralized with respect to any Proposed Scripps Group Acquisition Transaction), (ii) merge or consolidate with any other Person or liquidate or partially liquidate, (iii) sell or otherwise transfer in a single transaction or series of transactions 14% or more of the gross or net assets of the Scripps Business or 14% or more of the consolidated gross or net assets of Scripps and the Scripps Affiliates (such percentages to be measured based on fair market value as of the Distribution Date), (iv) redeem or otherwise repurchase (directly or through a Scripps Affiliate) any Scripps Capital Stock, or rights to acquire such stock; (v) amend its certificate of incorporation (or other organizational documents), or take any other action, whether through a stockholder vote or otherwise, affecting the relative voting rights of the separate classes of Scripps Capital Stock (including, without limitation, through the conversion of one class of Scripps Capital Stock into another class of Scripps Capital Stock) or (vi) take any other action or actions (including any action or transaction that would be reasonably likely to be inconsistent with any representation made in the Representation Letters, or any rulings, formal advice or opinion described in Section 5.01 above) which in the aggregate (taking into account any other transactions described in this Section 5.03) would be reasonably likely to have the effect of causing or permitting one or more Persons (whether or not acting in concert) to acquire, directly or indirectly, Scripps Capital Stock representing a Fifty-Percent or Greater Interest in Scripps or otherwise jeopardize the Tax-Free Status, unless prior to taking any such action set forth in the foregoing clauses (i) through (vi), (A) Scripps shall have obtained a private letter ruling from the IRS and Scripps shall have received such a ruling in form and substance satisfactory to Scripps Spinco that confirms that the Tax-Free Status will be preserved, taking into account such action and other transactions in the aggregate, or (B) Scripps shall provide Scripps Spinco with an Unqualified Tax Opinion in form and substance acceptable to Scripps Spinco (and on which Scripps Spinco may rely) that confirms that the Tax-Free Status will be preserved, taking into account such action and other transactions in the aggregate, or (C) Scripps Spinco shall have waived the requirement to obtain such ruling or opinion. In determining whether such a ruling or opinion is satisfactory, Scripps Spinco may consider, among other factors, the appropriateness of any underlying assumptions and representations made in connection with such ruling or opinion. To the extent that any such ruling or opinion concerns the acquisition of a Fifty-Percent or Greater Interest in Scripps, it shall expressly conclude that such acquisition will satisfy one or more of the safe harbors described in the Treasury Regulations promulgated under Section 355(e) of the Code. Scripps shall bear all costs and expenses of securing any such ruling or opinion and shall reimburse Scripps for all external costs and expenses that it may incur in good faith in seeking to obtain or evaluate any such ruling or opinion. Notwithstanding the above, this Section 5.03(b) shall not apply to limit any of the transactions specifically set forth in the Master Transaction Agreement; provided, however, those transactions shall be taken into account to analyze subsequent transactions pursuant to this section.

SECTION 5.04. Indemnity.

(a) Subject to subsection (c) of this section, Newco and Scripps Spinco shall be responsible for, and shall indemnify and hold Scripps and Scripps Affiliates and their direct and indirect shareholders harmless against any Distribution Taxes, to the extent such Distribution Taxes are attributable to, caused by, or result from one or more of the following:

(i) any action or omission by Newco, Scripps Spinco or any Scripps Spinco Affiliate, at any time, that is inconsistent with any information, covenant or representation in the Representation Letters or any tax opinions concerning the Tax-Free Status of the Distribution;

(ii) any action or omission by Newco, Scripps Spinco or any Scripps Spinco Affiliate, after the Distribution (including any act or omission that is in furtherance of, connected to, or part of a plan or series of related transactions (within the meaning of section 355(e) of the Code) occurring on or prior to the Distribution), including a cessation, transfer to affiliates, or disposition of the active trades or businesses, stock buyback or payment of an extraordinary dividend;

(iii) any acquisition of any stock or assets of Newco, Scripps Spinco or any Scripps Spinco Affiliate, by one or more other Persons (other than Scripps or any Scripps Affiliate) prior to or following the Distribution;

(iv) any issuance of stock by Newco, Scripps Spinco or any Scripps Spinco Affiliate, after the Distribution, including any issuance pursuant to the exercise of employee stock options or other employment related arrangements, or the exercise of warrants; or

(v) any change in ownership of stock in Newco, Scripps Spinco or any Scripps Spinco Affiliate after the Distribution.

(b) Subject to subsection (c) of this section, Scripps shall be responsible for, and shall indemnify and hold Newco, Scripps Spinco and Scripps Spinco Affiliates and their direct and indirect shareholders harmless against any Distribution Taxes, to the extent such Distribution Taxes are attributable to, caused by, or result from one or more of the following:

(i) any action or omission by Scripps or any Scripps Affiliate, at any time, that is inconsistent with any information, covenant or representation in the Representation Letters or any tax opinions concerning the Tax-Free Status of the Distribution;

(ii) any action or omission by Scripps or any Scripps Affiliate, after the Distribution (including any act or omission that is in furtherance of, connected to, or part of a plan or series of related transactions (within the meaning of section 355(e) of the Code) occurring on or prior to the Distribution), including a cessation, transfer to affiliates, or disposition of the active trades or businesses, stock buyback or payment of an extraordinary dividend;

(iii) any acquisition of any stock or assets of Scripps or any Scripps Affiliate, by one or more other Persons prior to or following the Distribution;

(iv) any issuance of stock by Scripps or any Scripps Affiliate, after the Distribution, including any issuance pursuant to the exercise of employee stock options or other employment related arrangements, or the exercise of warrants; or

(v) any change in ownership of stock in Scripps or any Scripps Affiliate after the Distribution.

(c) For purposes of calculating the amount and timing of any Tax-Related Loss in connection with any Tax payable by an indemnified party, such loss shall be calculated by assuming that the indemnified party pays income Tax at the Highest Combined Tax Rate in effect in each relevant taxable year and that the income arising in connection with the Tax-Related Losses is the only item of income, deduction, Credit or loss for such year. Newco or Scripps Spinco shall pay Scripps or such other applicable indemnified party the amount of any such Tax-Related Losses for which Newco or Scripps Spinco is responsible under this Section 5.04 within one (1) business day before payment is due from Scripps or such other party. Scripps shall pay Newco, Scripps Spinco or such other applicable indemnified party the amount of any such Tax-Related Losses for which Scripps is responsible under this Section 5.04 within one (1) business day before payment is due from Newco, Scripps Spinco or such other party.

(d) Until all applicable statutes of limitations with respect to Distribution Taxes expire (after giving effect to any extensions or waivers thereof), neither Newco nor Scripps Spinco shall (i) merge or consolidate with any other Person or liquidate or partially liquidate into any other Person, (ii) sell or otherwise transfer to any other Person or group of Persons, directly or indirectly, in a single transaction or series of transactions 25% or more of the gross or net assets of Newco or Scripps Spinco (such percentage to be determined based on fair market value as of the Distribution Date), (iii) engage in any other reorganization or restructuring with any other Person, or (iv) agree or permit any Person or group of Persons, directly or indirectly, in a single transaction or series of transactions, to acquire a Fifty Percent or Greater Interest in Newco or Scripps Spinco, unless, in each case, each such Person agrees, to Scripps' satisfaction, to be jointly and severally liable with Newco and Scripps Spinco in their obligations under this Article V. Notwithstanding the above, this Section 5.04(d) shall not apply to the transactions specifically set forth in the Master Transaction Agreement.

(e) Until all applicable statutes of limitations with respect to Distribution Taxes expire (after giving effect to any extensions or waivers thereof), Scripps shall not (i) merge or consolidate with any other Person or liquidate or partially liquidate into any other Person, (ii) sell or otherwise transfer to any other Person or group of Persons, directly or indirectly, in a single transaction or series of transactions 25% or more of the gross or net assets of Scripps (such percentage to be determined based on fair market value as of the Distribution Date), (iii) engage in any other reorganization or restructuring with any other Person, or (iv) agree or permit any Person or group of Persons, directly or indirectly, in a single transaction or series of transactions, to acquire a Fifty Percent or Greater Interest in Scripps, unless, in each case, each such Person agrees, to Newco's or Scripps Spinco's satisfaction, to be jointly and severally liable with Scripps in its obligations under this Article V. Notwithstanding the above, this Section 5.04(e) shall not apply to the transactions specifically set forth in the Master Transaction Agreement.

## **ARTICLE VI CARRYOVER AND CARRYBACK ITEMS**

SECTION 6.01. Carryovers to Post-Affiliation Years. The Parties shall apportion any U.S. federal consolidated net operating or capital losses, Credits or other applicable items between members of the Scripps Spinco Group (departing from the Scripps Group as a consequence of the Distribution and related transactions) and members of the Scripps Group (not taking into account Scripps Spinco Group members) pursuant to applicable Treasury Regulations promulgated under Section 1502 of the Code. Such consolidated items and their apportionment shall be adjusted to reflect any Adjustments that take place with respect to applicable Affiliation Years.

SECTION 6.02. Carrybacks from Post-Affiliation Years.

(a) *Carryback Items.* If Scripps Spingo and/or its Affiliates sustain U.S. federal capital or net operating losses or generate U.S. federal Credits in a Post-Affiliation Year which may be carried back to an Affiliation Year and will generate an Income Tax Benefit, Scripps Spingo may request Scripps to file a Section 6.02 Claim with the IRS with respect to the U.S. federal income Tax liability of the Scripps Group for such Affiliation Year. Scripps shall have sole discretion whether to accept a request to file carryback claims (except for foreign Tax Credit or domestic source capital loss carryback claims) and file any amended Tax Returns or claims for refund relating thereto, which discretion may be exercised without regard to satisfying a standard of good faith or any other standard provided for in this Agreement or elsewhere. With regard to requests to file claims to carryback foreign Tax Credits or domestic source capital losses to an Affiliation Year, Scripps shall implement such requests it determines in good faith to be available on the terms set forth hereinafter.

(b) *Procedures.* If Scripps files a Section 6.02 Claim, Scripps shall have full control over the Section 6.02 Claim and shall consult with Scripps Spingo to determine the nature of all actions to be taken in connection with such claim. If there is any limitation that applies to the Scripps Group in respect of all or a portion of the items that comprise a Section 6.02 Claim in respect of foreign Tax Credits or domestic source capital losses, any Income Tax Benefit in respect of such claim shall be determined by Scripps in consultation with Scripps Spingo. If there are any limitations in the ability of the Scripps Group to utilize items in the same category as the items that comprise such claim, any Income Tax Benefit shall be determined by Scripps in consultation with Scripps Spingo based on the assumption that the items were utilized on a Proportionate Basis, Scripps shall pay to Scripps Spingo the amount of the Income Tax Benefit, if any, derived from such claim within 30 business days after it receives a refund or credit for refund therefor. Scripps Spingo shall repay to Scripps all or a portion of such amount to the extent the Income Tax Benefit is reduced as a result of an Adjustment for any Affiliation Year or otherwise, together with applicable interest and penalties. If Scripps elects to file a Section 6.02 Claim in respect of the carryback of any attribute other than foreign Tax Credits or domestic source capital losses, the terms for payment and other provisions shall be determined based upon the mutual agreement, if any, of the Parties. If Scripps files a Section 6.02 Claim, Scripps Spingo shall indemnify Scripps for any additional Taxes or loss of Tax benefits incurred by a member of the Scripps Group (including interest, penalties and additions to Tax), other than a member of the Scripps Spingo Group, arising from such claim. Scripps shall also be entitled to reimbursement from Scripps Spingo for any reasonable external costs for professional services incurred by Scripps in connection with the Section 6.02 Claim whether or not Scripps Spingo receives payment or credit therefor.

## **ARTICLE VII U.S. FEDERAL INCOME TAX ADJUSTMENTS**

SECTION 7.01. Determination. If an Adjustment occurs, the liability of Scripps Spingo or Scripps, as the case may be, pursuant to Article II hereof, or the amounts allocated pursuant to Article VI, shall be recomputed by the Parties. As recomputed for purposes of Article II, Scripps Spingo shall make payments to Scripps for an increase in Scripps Spingo's liability or Scripps shall make payments to Scripps Spingo for an increase in Scripps' liability. For purposes of Sections 2.01 and 2.02, Scripps Spingo's liability shall be deemed to have increased as a result of any Adjustment that results in an increase in the Adjusted Separate Scripps Spingo Group Federal Tax Liability or a decrease in the Excess Scripps Group Benefits, and Scripps' liability shall be deemed to have increased as a result of any Adjustment that results in a decrease in the Adjusted Separate Scripps Spingo Group Federal Tax Liability or an increase in the Excess Scripps Group Benefits.

SECTION 7.02. Payments. Payments due from Scripps Spingo to Scripps shall be made no later than one (1) business day before the due date for payment by Scripps to a Taxing authority upon the Final Determination of the items in question, or, to the extent no such payment to a Taxing authority is due, within ten (10) business days after the date of such Final Determination. Payments due from Scripps to Scripps Spingo shall be made within ten (10) business days after Scripps receives a refund or a credit for a refund with regard to the items in question after a Final Determination therefor. Such payments shall include any applicable interest, penalties and additions to Tax and, if applicable, any reasonable external costs for professional services incurred by Scripps thereon. In calculating any interest payable by Scripps Spingo to Scripps hereunder, interest, if any, due from Scripps to the IRS shall first be deemed to arise with respect to the increase in the liability of Scripps Spingo, as determined above.

SECTION 7.03. Procedures. Subject to Section 6.02, for any Affiliation Year or Combined Year, the Parties will determine whether to give effect, through any Tax Return, claim for refund or otherwise, to items of loss, deduction or Credit for the Scripps Spingo Group which are greater than those reflected on prior Tax Returns and the nature of all actions taken with respect thereto. If Scripps files such a claim, Scripps Spingo shall indemnify Scripps for any additional Taxes or loss of Tax benefits incurred by a member of the Scripps Group or the applicable Total Combined Group (including interest, penalties and additions to Tax), other than a member of the Scripps Spingo Group, arising from such claim.

SECTION 7.04. Intercompany Adjustments. If any transaction or arrangement between Scripps and/or Scripps Affiliates, on the one hand, and Scripps Spingo and/or Scripps Spingo Affiliates, on the other hand, is recharacterized for applicable Tax purposes under Section 482 of the Code or otherwise and such recharacterization results in an Income Tax Detriment to one

applicable group of companies and an Income Tax Benefit to the other group, the group incurring the Income Tax Detriment shall be paid by the other group an amount equal to such Income Tax Detriment (including any interest, penalties and additions to Tax) within thirty (30) business days after the Final Settlement of such Income Tax Detriment. In addition, each Party shall be responsible for, and shall indemnify and hold the other Parties and their Affiliates harmless against, any Taxes attributable to intercompany items or otherwise for any stock or other assets (tangible or intangible) transferred to it (or a Scripps Affiliate, in the case of Scripps, or a Scripps Spinco Affiliate, in the case of Scripps Spinco ) from another Party (or from a Scripps Affiliate, in the case of Scripps, or a Scripps Spinco Affiliate, in the case of Scripps Spinco) for which it is determined not to have paid or provided fair market value consideration.

## **ARTICLE VIII INCOME TAX PROCEEDINGS**

SECTION 8.01. Notice. Each Party shall provide prompt notice to the other Parties of any pending or threatened Tax audit, assessment, proceeding or other Tax Contest of which it becomes aware that could affect any Tax liability for which any other Party may be responsible under this Agreement; provided, however, that failure to give prompt notice shall not affect the indemnification obligations hereunder except to the extent the Party providing indemnification is actually prejudiced thereby. Such notice shall contain factual information (to the extent known) describing such matters in reasonable detail and shall be accompanied by copies of any notice and other documents received from any Taxing authority in respect of any such matters.

SECTION 8.02. Scripps Spinco and Scripps Issues. Scripps and Scripps Spinco hereby agree that during the course of an audit or any Tax Contest relating to any Affiliation Year or Combined Year, they will in good faith endeavor to discuss and resolve separately with the IRS district agents or any equivalent state or local Taxing authority (as the case may be) any Scripps Spinco Issues and Scripps Issues. "Scripps Spinco Issues" are issues relating to items of income, gain, loss, deduction, or Credit that are attributable solely to the Scripps Spinco Group and that could not reasonably have material adverse consequences for the U.S. federal, state or local income Tax liability of a member of the Scripps Group (other than a member of the Scripps Spinco Group) if resolved against the taxpayer. "Scripps Issues" are any other issues, including issues relating to Foreign Attributes of the Scripps Spinco Group.

### SECTION 8.03. Procedures.

(a) In the event a Revenue Agent's Report ("RAR") or equivalent state or local report is issued with respect to an Affiliation Year or a Combined Year, and the RAR or equivalent state or local report contains Adjustments proposed with respect to Scripps Spinco Issues, at Scripps Spinco's request, Scripps shall protest (as provided for in applicable Treasury Regulations or applicable state or local rules and regulations) the adjustments made with respect to Scripps Spinco Issues. Scripps Spinco will prepare that portion of any protest which it determines should be filed in connection with any Adjustment proposed with respect to Scripps Spinco Issues and shall limit such portion of the protest to the defense of the specific Scripps Spinco Issues raised in the RAR or equivalent state or local report.

(b) After the filing of such protest, Scripps and Scripps Spinco shall jointly meet with the IRS, state or local representatives responsible for disposing of the issues in dispute and request the separate resolution of the Scripps Issues and Scripps Spinco Issues. They shall further request that the IRS or equivalent state or local Taxing authority assign separate representatives to conduct any review of or proceedings on their respective issues.

(c) Regardless of whether the IRS or equivalent state or local Taxing authority agrees to resolve the issues affecting each Party or assign separate representatives to deal with the issues of each, Scripps and Scripps Spinco each will attend meetings and will prepare written presentations to be made to the IRS or equivalent state or local Taxing authority regarding any Adjustments proposed only with respect to its respective issues. Scripps and Scripps Spinco shall keep each other promptly informed of any developments and discussions at any such meetings concerning Adjustments, whether or not formally proposed, affecting the other such Party.

(d) For each Affiliation Year or Combined Year, Scripps shall have control of all Scripps Issues not otherwise settled at the audit or appeals level of the IRS or equivalent state or local Taxing authority. For each Affiliation Year or Combined Year, Scripps Spinco shall have control of all Scripps Spinco Issues not otherwise settled by Scripps Spinco at the audit or appeals level of the IRS or equivalent state or local Taxing authority ("Scripps Spinco Unsettled Issues").

(e) To the extent any Scripps Issues could affect any Tax liability for which the Scripps Spinco Group may be responsible, Scripps Spinco shall have joint control over decisions to resolve, settle or otherwise agree to any deficiency, claim or Adjustment, and Scripps shall not settle any such Scripps Issue without the consent of Scripps Spinco, such consent not to be unreasonably withheld, conditioned or delayed. To the extent that any Scripps Spinco Issues could affect any Tax liability for which the Scripps Group may be responsible, Scripps shall have joint control over decisions to resolve, settle or otherwise agree

to any deficiency, claim or Adjustment, and Scripps Spinco shall not settle any such Scripps Spinco Issue without the consent of Scripps, such consent not to be unreasonably withheld, conditioned or delayed.

#### SECTION 8.04. Forum for Judicial Proceedings.

(a) Prior to instituting legal proceedings with respect to a Scripps Spinco Unsettled Issue, Scripps Spinco shall, at its sole cost and expense, unless Scripps agrees to waive the same, obtain an evaluation of the Scripps Spinco Unsettled Issues from an independent attorney experienced in the field of U.S. federal corporate income Taxation (or state or local Taxation, in the case of a Combined Return), who shall be selected jointly by the Parties and who, in the case of a listed or reportable transaction for U.S. federal income Tax Purposes, is not a disqualified Tax advisor within the meaning of Section 6664(d)(3)(B)(ii) of the Code. The evaluation shall state, for the Scripps Spinco Unsettled Issues on an issue by issue basis, whether, in the opinion of the attorney (which in the case of a listed transaction or reportable transaction for U.S. federal income Tax purposes does not constitute a disqualified Tax opinion as defined in Section 6664(d) of the Code) the filing position will more likely than not be sustained. Any discussions with respect to the evaluation shall be held with both Scripps and Scripps Spinco jointly, and such attorney shall send a copy of the evaluation (including any drafts thereof) to both such Parties simultaneously.

(b) If the evaluation discloses any Scripps Spinco Unsettled Issues which do not fully meet the aforementioned standards as applicable, Scripps Spinco shall be obligated to settle such issues with the IRS or equivalent state or local authority at its own cost and expense within a reasonable period of time after receipt of the evaluation. In any case where judicial proceedings are instituted, with respect to an Affiliation Year or Combined Year, Scripps shall be entitled to select the forum for such judicial proceedings, unless such proceedings involve Scripps Spinco Unsettled Issues or issues that could affect any Tax liability for which the Scripps Spinco Group may be responsible. If Scripps Spinco Unsettled Issues or issues that could affect any Tax liability for which the Scripps Spinco Group may be responsible are involved, Scripps Spinco shall be entitled to participate in the selection of the forum for judicial proceedings. Each Party shall bear the costs of litigation in respect of its own issues.

(c) Prior to instituting legal proceedings with respect to a Scripps Unsettled Issue, Scripps shall, at its sole cost and expense, unless Scripps Spinco agrees to waive the same, obtain an evaluation of the Scripps Unsettled Issues from an independent attorney experienced in the field of U.S. federal corporate income Taxation (or state or local Taxation, in the case of a Combined Return), who shall be selected jointly by the Parties and who, in the case of a listed or reportable transaction for U.S. federal income Tax Purposes, is not a disqualified Tax advisor within the meaning of Section 6664(d)(3)(B)(ii) of the Code. The evaluation shall state, for the Scripps Unsettled Issues on an issue by issue basis, whether, in the opinion of the attorney (which in the case of a listed transaction or reportable transaction for U.S. federal income Tax purposes does not constitute a disqualified Tax opinion as defined in Section 6664(d) of the Code) the filing position will more likely than not be sustained. Any discussions with respect to the evaluation shall be held with both Scripps and Scripps Spinco jointly, and such attorney shall send a copy of the evaluation (including any drafts thereof) to both such Parties simultaneously.

(d) If the evaluation discloses any Scripps Unsettled Issues which do not fully meet the aforementioned standards as applicable, Scripps shall be obligated to settle such issues with the IRS or equivalent state or local authority at its own cost and expense within a reasonable period of time after receipt of the evaluation. Scripps shall be entitled to select the forum for such judicial proceedings, unless such proceedings involve Scripps Spinco Unsettled Issues or issues that could affect any Tax liability for which the Scripps Spinco Group may be responsible. If Scripps Unsettled Issues or issues that could affect any Tax liability for which the Scripps Spinco Group may be responsible are involved, Scripps Spinco shall be entitled to participate in the selection of the forum for judicial proceedings. Each Party shall bear the costs of litigation in respect of its own issues.

### ARTICLE IX PAYMENTS

SECTION 9.01. Reporting of Indemnity Payments, Etc. Any Tax indemnity payments hereunder shall, unless otherwise required by law, be reported for Tax purposes by the payer and the recipient as a cash capital contribution by Scripps or a cash distribution by Scripps Spinco, as the case may be, immediately before the Distribution. If, notwithstanding such reporting, such payment results in additional taxable income to the recipient, such payments shall be increased such that the amount that the recipient receives (net of Taxes) shall equal the amount of the payment that it would otherwise be entitled to receive pursuant to this Agreement.

SECTION 9.02. Interest on Late Payments. If any payments hereunder are not made when due, interest shall accrue on the unpaid amount at the underpayment rate for large corporate underpayments, in effect from time to time under Section 6621 of the Code, while such amount is outstanding.



**ARTICLE X**  
**TAX RETURNS**

**SECTION 10.01. Cooperation and Furnishing of Tax Return Information.**

(a) *Cooperation.* Scripps and Scripps Spinco each agree to cooperate fully in connection with the preparation of any Tax Return relating to any Affiliation Year or Combined Year and the resolution of any related Tax audits, proceedings or disputes.

(b) *Tax Return Information.* For purposes of the preparation by Scripps of Tax Returns for the taxable years beginning on January 1, 2014 and January 1, 2015, respectively, on or prior to such date(s) as specified by Scripps, Scripps Spinco shall provide Scripps with Tax information for all members of the Scripps Spinco Group (and for all members of each Scripps Spinco Combined Group), including but not limited to, schedule(s) showing the items of income, gain, loss, deduction and Credit (including items relating to Foreign Attributes) with respect to such taxable year and complete work papers together with such other information as Scripps may reasonably request. The information provided by Scripps Spinco shall be consistent with any similar information provided by Scripps Spinco to Scripps for prior taxable years.

(c) *Scripps Spinco Disclosures.* With respect to all Affiliated Years or Combined Years, Scripps Spinco represents that it has provided, and agrees to promptly provide, to Scripps complete and accurate information that Scripps requests to satisfy all applicable U.S. federal, state and local, and non-U.S. disclosure and reporting requirements in respect of listed transactions, reportable transactions and other transactions that may be viewed as Tax-motivated, including, but not limited to, U.S. state expense disallowance information. With respect to all Affiliated Years and Combined Years, Scripps Spinco also represents that it has provided, and agrees to promptly provide, to Scripps all documents and other information that is required or Scripps requests to satisfy the transfer pricing and other documentation requirements set forth in Sections 482 and 6662 of the Code and the Treasury Regulations thereunder or otherwise (including analogous provisions under U.S. state and local or non-U.S. law), including but not limited to, principal documents as defined in Treasury Regulations Section 1.6662-6(d)(2)(iii)(B), and to address any transfer pricing audit issue arising under Section 482 of the Code or otherwise, shall promptly provide to Scripps any documents and information it may request, including background documents as defined in Treasury Regulations Section 1.6662-6(d)(2)(iii)(C). Scripps Spinco further represents that it has provided, and agrees to promptly provide, to Scripps all internal and external tax opinions memoranda relating to the transactions and other matters addressed in this subsection (c). If Scripps Spinco fails to timely satisfy the requirements of this subsection (c), it will indemnify, and hold Scripps and Scripps Affiliates harmless against, any Taxes, interest, penalties or additions to Tax arising therefrom.

(d) *Scripps Disclosures.* With respect to any taxable year ending on or prior to the Distribution Date, Scripps shall promptly provide to Scripps Spinco complete and accurate information that is required or Scripps Spinco requests to satisfy all applicable U.S. federal, state and local, and non-U.S. disclosure and reporting requirements in respect of listed transactions, reportable transactions and other transactions that may be viewed as Tax-motivated, including, but not limited to, U.S. state expense disallowance information. With respect to any taxable year ending on or prior to the Distribution Date, Scripps shall promptly provide to Scripps Spinco all documents and other information that is required or Scripps Spinco requests to satisfy the transfer pricing and other documentation requirements set forth in Sections 482 and 6662 of the Code and the Treasury Regulations thereunder or otherwise (including analogous provisions under U.S. state and local or non-U.S. law), including but not limited to, principal documents as defined in Treasury Regulations Section 1.6662-6(d)(2)(iii)(B), and to address any transfer pricing audit issue arising under Section 482 of the Code or otherwise, shall promptly provide to Scripps Spinco any documents and information it may request, including background documents as defined in Treasury Regulations Section 1.6662-6(d)(2)(iii)(C). Scripps shall also promptly provide to Scripps Spinco all internal and external tax opinions memoranda relating to the transactions and other matters addressed in this subsection (d). If Scripps fails to timely satisfy the requirements of this subsection (d), it will indemnify, and hold Scripps Spinco and Scripps Spinco Affiliates harmless against, any Taxes, interest, penalties or additions to Tax arising therefrom.

**SECTION 10.02. Preparation of Tax Returns.**

(a) *Preparation.* Scripps shall have sole authority for the preparation and filing of any Scripps Consolidated Return and any Scripps Combined Return. With respect to any Scripps Consolidated Return or Scripps Combined Return for the taxable year beginning on January 1, 2014 or the taxable year beginning on January 1, 2015, Scripps shall afford Scripps Spinco a meaningful opportunity to review and comment on such returns, and shall consider such comments in good faith. Any decisions with respect to the timing, filing, or content of any Scripps Consolidated Return or Scripps Combined Return shall be made by Scripps.

(b) *Elections.* Scripps Spinco and the appropriate members of the Scripps Spinco Group or a Scripps Spinco Combined Group shall make or give their consent to such elections or other matters relating to the Scripps Spinco Group or a Scripps Spinco Combined Group as Scripps determines is necessary or advisable in connection with the filing of any Scripps Consolidated Return

or Scripps Combined Return. Without the prior written consent of Scripps, no member of the Scripps Spinco Group may elect to be considered as not having been a member of the Scripps Group for U.S. federal income Tax purposes and no member of a Scripps Spinco Combined Group may elect to be considered as not having been a member of the Scripps Combined Group for U.S. state or local Tax purposes, for any taxable year of such member that begins before the Distribution Date.

## **ARTICLE XI POST AFFILIATION YEARS AND POST COMBINED YEARS**

SECTION 11.01. Returns. Scripps Spinco shall not and shall not permit any of the Scripps Spinco Affiliates to (i) file or amend any Tax Return for the Post-Affiliation Year or a Post-Combined Year, in a manner that is inconsistent with the manner in which Scripps filed its Tax Returns in an Affiliation Year or a Combined Year or (ii) make any election for any Post Affiliation Year or Post Combined Year if such election would have the effect of binding or requiring conformity by any member of the Scripps Group (other than a member of the Scripps Spinco Group) or by any member of a Scripps Combined Group (other than a member of a Scripps Spinco Combined Group) for any Affiliation Year or Combined Year.

SECTION 11.02. Actions or Transactions. Scripps Spinco shall be obligated to inform and disclose fully to Spinco any actions taken or transactions undertaken in a Post-Affiliation Year or a Post-Combined Year which can reasonably be expected to affect in any material way the Tax liability of the Spinco Group for any Affiliation Year or of the Scripps Combined Group for any Combined Year.

SECTION 11.03. Proposed Adjustments. Scripps Spinco shall promptly notify Spinco and keep Spinco apprised of any proposed Adjustments which arise out of an audit or examination of a Post-Affiliation Year or Post-Combined Year Tax Return which could reasonably be expected to affect in any material way the Tax liability of the Scripps Group for any Affiliation Year or of the Scripps Combined Group for any Combined Year or which could reasonably result in treatment of items that is inconsistent with the manner in which Spinco filed its Tax Returns for such years.

## **ARTICLE XII BOOKS AND RECORDS**

SECTION 12.01. Retention Period. Without limiting any of the provisions of this Agreement, each of the Parties agrees that it shall retain, until the expiration of the appropriate statutes of limitations (including any extensions) plus ninety (90) days, copies of any Tax Returns for any open periods during the Affiliation Years and Combined Return Years which might be subject to Adjustment under this Agreement, supporting work schedules and other books, records or information which may be relevant and that it will not destroy or otherwise dispose of such records without first providing the other Parties with a reasonable opportunity to review and copy the same. Without limiting the foregoing, Scripps Spinco shall cooperate with Spinco in identifying such books, records or information and so retain or provide to Spinco such books, records or information as may be specified by Spinco in writing within 180 days after the Distribution Date. Any information obtained pursuant to this Agreement, or any other information obtained by Spinco or Scripps Spinco relating to the Tax position of any Party shall be kept confidential by the Parties, except if otherwise required by a Taxing authority.

SECTION 12.02. Record Retention Policy. Without limiting the foregoing, each of the Parties agrees that it shall retain copies of any books and records in its possession as required by any record retention agreement in effect from time to time, between Scripps and the IRS or any other Taxing authority.

SECTION 12.03. Tax Attributes. Scripps Spinco shall maintain and provide to Scripps upon request information which will enable Scripps to determine, clarify or verify the adjusted book and Tax bases of the Scripps Spinco stock held by Scripps, Scripps Spinco's assets, both tangible and intangible, including the stock of all directly and indirectly owned subsidiaries of Scripps Spinco which were members of the Scripps Spinco Group or a Scripps Spinco Combined Group at any time during Affiliation Years or Combined Years (but not any taxable year which does not affect an Affiliation Year or a Combined Year), and the adjusted book and Tax bases of all assets, both tangible and intangible, of such subsidiaries. In addition, Scripps Spinco shall maintain and provide to Scripps upon request all relevant information for the determination of earnings and profits of any members of the Scripps Spinco Group, in accordance with applicable provisions of the Code and the Treasury Regulations thereunder.

SECTION 12.04. Apportionment of Earnings and Profits and Tax Attributes. The Parties shall determine the portion, if any, of any earnings and profits, overall foreign loss, capitalized research and development expenditures or other consolidated, combined or unitary Tax attribute which shall be allocated or apportioned to the Scripps Spinco Group under applicable law. In the event of a subsequent Adjustment to such allocations and apportionments, Scripps shall promptly notify Scripps Spinco in writing of such Adjustment. For the absence of doubt, Scripps shall not be liable to Scripps Spinco or any member of the Scripps Spinco Group for any failure of any determination under this Section 12.04 to be accurate.

**ARTICLE XIII  
COMPENSATION AND EMPLOYEE BENEFITS**

SECTION 13.01. General. Except as provided in Section 13.02, for U.S. federal, applicable U.S. state and local income and other Tax purposes, all deductions in respect of compensation and employee benefits, whether on or before or after the Distribution Date, shall be allocated to either (i) Scripps (or its appropriate subsidiary), or (ii) Newco or Scripps Spinco (or their appropriate subsidiary), based on the entity which, directly or indirectly, provides (or is obligated to provide) the cash or other consideration to its employees, former employees or other service providers or any individual whose rights are derived from such individual's relationship with such employee, former employee or service provider.

SECTION 13.02. Stock-Based Awards. For U.S. federal, applicable U.S. state and local income and other Tax purposes, all deductions in respect of Scripps Options and Scripps Restricted Share Units, whether on or before or after the Distribution Date, shall be allocated as follows:

(a) Deductions in respect of Scripps Options shall be allocated to Scripps.

(b) Deductions in respect of Scripps Restricted Share Units shall be allocated to Scripps (whether such deductions relate to payments made in the form of Scripps Class A Common Shares, Newco Common Stock or cash).

SECTION 13.03. Reporting of Deductions. Unless otherwise required by law, Scripps, Scripps Spinco and Newco shall for themselves and their appropriate subsidiaries compute their respective Tax liability and file all applicable Tax Returns in accordance with the allocations under Sections 13.01 and 13.02 above. In the event that any deduction allocated under such Sections to an entity that paid the cash or other consideration is subsequently required by law to be reported by another entity for Tax purposes, Scripps, Scripps Spinco or Newco shall pay the entity to which the deduction was allocated under such Sections such amounts as are necessary to put such entity in the same position, on an after Tax basis, as it would have been if the allocation under such Sections had been respected.

SECTION 13.04. Employment Taxes and Tax Reporting. To the extent that Scripps, Scripps Spinco, Newco or any of their subsidiaries is allocated a deduction for Tax purposes under Sections 13.01 and 13.02 above or otherwise, then subject to any obligations under the Employee Matters Agreement, the entity to which the deduction is allocated shall be solely responsible for satisfying any withholding and employment Tax liabilities and Tax reporting obligations in respect of the compensation that corresponds to such deduction, provided that if it is determined by such entity that it is not administratively practical to meet such liability and obligations, the affected parties shall apply an appropriate alternative approach.

**ARTICLE XIV  
NEWCO'S OBLIGATIONS**

SECTION 14.01. Newco's Obligations. On and after the Distribution Date, Newco shall be jointly and severally liable for all obligations of Scripps Spinco pursuant to this Agreement.

**ARTICLE XV  
PROTECTIVE SECTION 336(e) ELECTION**

SECTION 15.01. Protective Section 336(e) Election. Pursuant to Treasury Regulation Sections 1.336-2(h)(1)(i) and 1.336-2(j), Scripps and Scripps Spinco agree that Scripps shall make a timely protective election under Section 336(e) of the Code and the Treasury Regulations issued thereunder (a "Section 336(e) Election") for Scripps Spinco and each Scripps Spinco Affiliate that is a domestic corporation for U.S. federal income tax purposes with respect to the Scripps Newspaper Distribution (as defined in the Master Transaction Agreement). It is intended that a Section 336(e) Election will have no effect unless the Scripps Newspaper Distribution is a "qualified stock disposition," as defined in Treasury Regulation Section 1.336-1(b)(6), either because (a) the Scripps Newspaper Distribution is not a transaction described in Treasury Regulations Section 1.336-1(b)(5)(i)(B) or (b) Treasury Regulation Section 1.336-1(b)(5)(ii) applies to the Scripps Newspaper Distribution.

SECTION 15.02. Protective Section 336(e) Election Indemnification. Newco and/or Scripps Spinco shall pay to Scripps, on an annual basis, payments in an amount equal to the actual Tax savings to Newco, Scripps Spinco and the Scripps Spinco Affiliates arising from the step-up in Tax basis resulting from the Section 336(e) Election, determined using a "with and without" methodology (treating any deductions or amortization attributable to the step-up in Tax basis resulting from the Section 336(e) Election as the last items claimed for any taxable year, including after the utilization of any available net operating loss carryforwards), and less a reasonable charge for administrative expenses necessary to secure the Tax savings.

**ARTICLE XVI  
MISCELLANEOUS**

SECTION 16.01. Notices. All notices, requests, claims, demands and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally or by facsimile transmission or mailed (first class postage prepaid) to the Parties at the following addresses or facsimile numbers:

If to Scripps or any member of the Scripps Group, to:

The E.W. Scripps Company  
312 Walnut Street  
Cincinnati, Ohio 45202

Facsimile: (513) 977-3090

Attention: Tax Department  
William Appleton, Senior Vice President and General Counsel

with a copy to:

Baker & Hostetler LLP  
1050 Connecticut Ave. NW, Suite 1100  
Washington DC, 20036

Attention: Jeffrey H. Paravano

Facsimile: (202) 861-1770

If to Scripps Spinco or any member of the Scripps Spinco Group, to:

Desk Spinco, Inc.  
312 Walnut Street  
Cincinnati, Ohio 45202

Facsimile: (513) 977-3042

Attention: William Appleton, Senior  
Vice President and  
General Counsel

with a copy to:

Baker & Hostetler LLP  
1050 Connecticut Ave. NW, Suite 1100  
Washington DC, 20036

Attention: Jeffrey H. Paravano

Facsimile: (202) 861-1770

If to Newco, to:

Boat NP Newco, Inc.  
333 West State Street  
Milwaukee, Wisconsin 53203

Attention: Steven J. Smith  
Chief Executive Officer

Facsimile: (414) 224-2469

with a copy to:

Foley & Lardner LLP  
777 East Wisconsin Avenue  
Milwaukee, WI 53202-5306

Attention: Benjamin F. Garmer III  
Russell E. Ryba

Facsimile: (414) 297-4900

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this section, be deemed given upon delivery, (ii) if delivered by facsimile transmission to the facsimile number as provided in this section, be deemed given upon receipt and (iii) if delivered by mail in the manner described above to the address as provided in this section, be deemed given upon receipt (in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice, request or other communication is to be delivered pursuant to this section). Any Party from time to time may change its address, facsimile number or other information for the purpose of notices to that Party by giving notice specifying such change to the other Party.

SECTION 16.02. Complete Agreement; Representations.

(a) This Agreement, together with any exhibits and schedules hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter. Notwithstanding any other provision of this Agreement to the contrary, neither Article II nor Article III shall apply to any Affiliation Year or Combined Year ending on or before December 31, 2013, except (i) to the extent that items of loss, deduction, or Credits are carried back (or are treated as being carried back for purposes of the definition of "Adjusted Separate Scripps Spinco Group Federal Tax Liability") into an Affiliation Year ending on or before December 31, 2013 from an Affiliation Year ending after December 31, 2013, or (ii) to the extent that an Adjustment occurs for an Affiliation Year or Combined Year ending on or before December 31, 2013

(b) Scripps represents on behalf of itself and each other member of the Scripps Group and Scripps Spinco represents on behalf of itself and each other member of the Scripps Spinco Group as follows:

(i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement to which it is a Party and to consummate the transactions contemplated by this Agreement; and

(ii) this Agreement has been duly executed and delivered by such Person (if such Person is a Party) and constitutes a valid and binding agreement of it enforceable in accordance with the terms hereof (assuming the due execution and delivery thereof by the other Party) except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and by general equitable principles.

SECTION 16.03. Amendment, Modification, or Waiver.

(a) This Agreement may be amended, supplemented, modified or superseded only by a written instrument signed by duly authorized signatories of the Parties.

(b) Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. No waiver by any Party of any term or condition of this Agreement, in any one or more instances, shall be deemed or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by law or otherwise afforded, will be cumulative and not alternative.

SECTION 16.04. Severability. If any provision of this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.

SECTION 16.05. No Double Recovery. No provision of this Agreement shall be construed to provide an indemnity or other recovery for any costs, damages or other amounts for which the injured Party has been fully compensated under any other provision of this Agreement or under any other agreement or action at law or equity. Unless expressly required in this Agreement,

a Party shall not be required to exhaust all remedies available under other agreements or at law or equity before recovering under the remedies provided in this Agreement.

SECTION 16.06. Costs and Expenses.

(a) *Scripps Services.* Scripps shall provide services in connection with this Agreement, including but not limited to, those services relating to the preparation of returns and determination of the Tax liability of Scripps Spinco as described in this Agreement. Scripps Spinco shall pay Scripps compensation or fees for such services with respect to 2014 Taxable Year and 2015 Taxable Year in accordance with the allocation of corporate overhead for the 2014 Taxable Year and the period for the 2015 Taxable Year prior to the Distribution, respectively.

(b) *Other Expenses.* Except as expressly set forth in this Agreement, each Party shall bear its own costs and expenses incurred pursuant to this Agreement, including, but not limited to, reasonable attorneys' fees, accountant fees and other related professional fees and disbursements.

SECTION 16.07. No Assignment; Binding Effect; No Third-Party Beneficiaries.

(a) Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any Party without the prior written consent of the other Parties and any attempt to do so will be void. Subject to the preceding sentence, this Agreement is binding upon, inures to the benefit of and is enforceable by the Parties and their respective successors and assigns.

(b) Except for provisions relating to Affiliates, the terms and provisions of this Agreement are intended solely for the benefit of each Party hereto and their respective Affiliates, successors or permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person.

(c) Notwithstanding anything herein to the contrary, unless the context indicates otherwise, if an obligation is imposed on Scripps or Scripps Spinco hereunder it shall cause any Person that directly or indirectly controls or is controlled by it to comply therewith to the extent reasonably necessary to carry out such obligation. "Control" for these purposes shall have the same meaning as that set forth under the definition of "Affiliate".

SECTION 16.08. Headings. The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

SECTION 16.09. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 16.10. Governing Law. This Agreement and any dispute arising out of, in connection with or relating to this Agreement shall be governed by and construed in accordance with the Laws of the State of New York, without giving effect to the conflicts of laws principles thereof.

SECTION 16.11. Disputes.

(a) Except with respect to injunctive relief described below, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall attempt to be settled first, by good faith efforts of the Parties to reach mutual agreement, and second, if mutual agreement is not reached to resolve the dispute, by final, binding arbitration as set out below.

(b) A Party that wishes to initiate the dispute resolution process shall send written notice to the other Parties, in accordance with this Section 16.11, with a summary of the controversy and a request to initiate these dispute resolution procedures. Each Party shall appoint a knowledgeable, responsible representative who has the authority to settle the dispute, to meet and to negotiate in good faith to resolve the dispute. The discussions shall be left to the discretion of the representatives who may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations (i) shall be treated as confidential Information developed for purposes of settlement, (ii) shall be exempt from discovery and production and (iii) shall not be admissible in the arbitration described below or in any lawsuit pursuant to Rule 408 of the Federal Rules of Evidence. Documents identified in or provided with such communications that are not prepared for purposes of the negotiations are not so exempted and may, if otherwise admissible, be admitted in evidence in the arbitration or lawsuit. The Parties agree to pursue resolution under this subsection for a minimum of 30 calendar days before requesting arbitration.

(c) If the dispute is not resolved under the preceding subsection within 30 calendar days of the initial written notice, any Party may demand arbitration by sending written notice to the other Parties. The Parties shall promptly submit the dispute to the American Arbitration Association for resolution by a single neutral arbitrator acceptable to all the Parties, as selected under

the rules of the American Arbitration Association. The dispute shall then be administered according to the American Arbitration Association's Commercial Arbitration Rules, with the following modifications: (i) the arbitration shall be held in a location mutually acceptable to the Parties, and, if the Parties do not agree, the location shall be Cincinnati, Ohio; (ii) the arbitrator shall be licensed to practice law; (iii) the arbitrator shall conduct the arbitration as if it were a bench trial and shall use, apply and enforce the Federal Rules of Evidence and Federal Rules of Civil Procedure; (iv) except for breaches related to confidential information, the arbitrator shall have no power or authority to make any award that provides for consequential, punitive or exemplary damages or extend the term hereof; (v) the arbitrator shall control the scheduling so that the hearing is completed no later than 30 calendar days after the date of the demand for arbitration; and (vi) the arbitrator's decision shall be given within five calendar days thereafter in summary form that states the award, without written decision, which decision shall follow the plain meaning of this Agreement, and in the event of any ambiguity, the intent of the Parties. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction over the Parties. Each Party to the dispute shall bear its own expenses arising out of the arbitration, except that the Parties shall share the expenses of the facilities to conduct the arbitration and the fees of the arbitrator equally.

(d) The foregoing notwithstanding, each Party shall have the right to seek injunctive relief in an applicable court of law or equity to preserve the status quo pending resolution of the dispute and enforce any decision relating to the resolution of the dispute.

(e) Notwithstanding anything in this Agreement to the contrary, the dispute resolution provisions set forth in this Section 16.11 shall not be applicable to any disagreement between the Parties relating to Distribution Taxes and any such dispute shall be settled in a court of law or as otherwise agreed to by the Parties.

[signature page follows]

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

THE E.W. SCRIPPS COMPANY

By: /s/ Richard A. Boehne  
Richard A. Boehne, President and Chief Executive Officer

DESK SPINCO, INC.

By: /s/ Richard A. Boehne  
Richard A. Boehne, Chief Executive Officer

BOAT NP NEWCO, INC.

By: /s/ Steven J. Smith  
Steven J. Smith, Chief Executive Officer

**JOURNAL TAX MATTERS AGREEMENT**

**Dated as of July 30, 2014**

**by and among**

**DESK BC MERGER, LLC, as successor in interest to JOURNAL COMMUNICATIONS, INC., and JOURNAL COMMUNICATIONS, INC.,  
on the one hand,**

**and**

**BOAT SPINCO, INC. and BOAT NP NEWCO, INC.,  
on the other hand**

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## JOURNAL TAX MATTERS AGREEMENT

THIS JOURNAL TAX MATTERS AGREEMENT (this "Agreement") is dated as of the 30th day of July, 2014, by and among (i) Desk BC Merger, LLC, a Wisconsin limited liability company ("Scripps LLC") as successor in interest to Journal Communications Inc., a Wisconsin corporation ("Journal"), and Journal, on the one hand, and (ii) Boat NP Newco, Inc., a Wisconsin corporation ("Newco"), and Journal Spinco, Inc., a Wisconsin corporation and an indirect subsidiary of Journal ("Journal Spinco"), on the other hand. Capitalized terms used in this Agreement are defined as set forth in Section 1.01.

WHEREAS, the Board of Directors of Journal has determined that it is in the best interests of Journal to separate the newspaper business of Journal and the broadcast business of Journal, on the terms and subject to the conditions set forth in the Master Transaction Agreement, in order (i) facilitate the acquisitions described in the Master Transaction Agreement, consistent with regulatory requirements, (ii) allow for more tailored management incentives, (iii) increase the per-share combined value of the separated companies, (iv) separate businesses with differing strategic directions, (v) eliminate existing constraints regarding capital allocation, (vi) concentrate management focus, (vii) accommodate differing shareholder bases, and (viii) achieve other corporate business purposes including "fit-and-focus" benefits;

WHEREAS, in order to effectuate the foregoing, The E. W. Scripps Company, an Ohio corporation ("Scripps"), Scripps Media, Inc., a Delaware corporation and wholly owned subsidiary of Scripps ("SMI"), Desk Spinco, Inc., a Wisconsin corporation and wholly owned subsidiary of SMI ("Scripps Spinco"), Desk NP Operating, LLC, a Wisconsin limited liability company and wholly owned subsidiary of SMI ("SNOC"), Scripps LLC, Journal, Journal Spinco, Newco, Desk NP Merger Co., a Wisconsin corporation and wholly owned subsidiary of Newco ("Scripps Newspaper Merger Co.") and Boat NP Merger Co., a Wisconsin corporation and wholly owned subsidiary of Newco ("Journal Newspaper Merger Co.") have entered into a Master Transaction Agreement, dated as of July 30, 2014 (the "Master Transaction Agreement"), pursuant to which and subject to the terms and conditions set forth therein, the Journal Spinco Business shall be separated from the Journal Business and pursuant to the Distribution, shares of Journal Spinco Common Stock shall be distributed on a pro rata basis to the holders of shares of Journal Class A Common Stock and Journal Class B Common Stock;

WHEREAS, on the Distribution Date, Scripps Spinco and Journal Spinco will each be acquired directly or indirectly by Newco pursuant to the terms of the Master Transaction Agreement and Newco will be responsible for all obligations of Journal Spinco pursuant to this Agreement;

WHEREAS, on the Distribution Date, Journal will merge with and into Scripps LLC with Scripps LLC surviving pursuant to the terms of the Master Transaction Agreement (the "Merger") and Scripps LLC will be responsible for all obligations of Journal pursuant to this Agreement as successor in interest to Journal;

WHEREAS, for U.S. federal income Tax purposes, through the Distribution Date, income of certain present and former members of the Journal Spinco Group has been or will be included in Journal Consolidated Returns;

WHEREAS, certain Journal Spinco Combined Group members have filed or will file Combined Returns covering U.S. state and local income Taxes including as part of a Journal Combined Return;

WHEREAS, Journal Spinco and other members of the Journal Spinco Group will cease to be members of the Journal Group for U.S. federal income Tax purposes after the Distribution Date, and Journal Spinco and other members of Journal Spinco Combined Groups will cease to be members of the Journal Combined Group for U.S. state and local income Tax purposes after the Distribution Date;

WHEREAS, the failure of the Distribution to have a Tax-Free Status or certain actions taken with respect to Journal Spinco Capital Stock and Journal Capital Stock could subject one or more of Journal, Journal Spinco and their shareholders to additional Tax costs in connection with the Distribution; and

WHEREAS, Journal and Journal Spinco desire in this Agreement to (i) set forth Tax allocation principles for Affiliation Years for U.S. federal income Tax purposes and Combined Years for U.S. state and local income Tax purposes, which, except to the extent provided herein, will supersede all prior policies and procedures governing the allocation of Taxes, (ii) define the effects upon the settlement and allocation of certain Tax liabilities and Tax benefits of transactions or developments that occur during taxable years commencing after the Distribution Date, (iii) set forth the responsibility for their respective stand-alone income and other Tax liabilities, and (iv) allocate liability for certain Tax costs that may be incurred in connection with the Distribution.

NOW, THEREFORE, in consideration of the foregoing, the promises and covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Journal, Journal Spinco and Newco hereby agree as follows:

## ARTICLE I DEFINITIONS AND STANDARDS

SECTION 1.01. Definitions. For all purposes of this Agreement, the following terms shall have the following meanings:

“2014 Excess Journal Group Benefits” shall have the meaning assigned to it in Section 2.01.

“2014 Tax Liability” shall have the meaning assigned to it in Section 2.01.

“2014 Taxable Year” shall have the meaning assigned to it in Section 2.01.

“2015 Excess Journal Group Benefits” shall have the meaning assigned to it in Section 2.02.

“2015 Tax Liability” shall have the meaning assigned to it in Section 2.02.

“2015 Taxable Year” shall have the meaning assigned to it in Section 2.02..

“Adjusted Separate Journal Group Federal Tax Liability” shall mean, with respect to an Affiliation Year, the aggregate Adjusted Separate Journal Member Federal Tax Liability for that Affiliation Year of all members of the Journal Group.

“Adjusted Separate Journal Spinco Member Federal Tax Liability” shall mean, with respect to a member of the Journal Spinco Group and with respect to an Affiliation Year, the U.S. federal income Tax liability of such member for the portion of the Affiliation Year during which such member also is a member of the Journal Group, such liability being computed applying the Highest Federal Tax Rate, computed as if such member has always filed a U.S. federal income Tax Return separately from the other members of the Journal Group (a “Journal Spinco Member Return”), and applying such U.S. Tax laws and regulations as would have been applicable to the member of the Journal Spinco Group if it had so filed separately, but not taking into account any items that are predicated on base amounts determined on a consolidated basis such as research Credits, subject to the following:

(i) the member of the Journal Spinco Group shall be treated as bound by all accounting methods, elections and other determinations adopted or made by Journal for the Journal Group for all Affiliation Years, including, but not limited to, determinations made in respect of carrybacks and carryovers;

(ii) the member of the Journal Spinco Group shall be permitted to reduce (but not below zero) its Adjusted Separate Journal Spinco Member Federal Tax Liability for an Affiliation Year to the extent that the Journal Group is able to reduce its U.S. federal income Tax liability in the Journal Consolidated Return for such Affiliation Year by utilizing items of deduction, loss, or Credit such member for such Affiliation Year that such member would have been unable to utilize (in its taxable years ending on or before the Distribution Date) if it had always filed a Journal Spinco Member Return separately from the Journal Spinco Group (“Excess Items”); provided, that if there are any limitations in the ability of the Journal Group to utilize items in the same category as such Excess Items in their entirety for such year, the Journal Spinco Group shall be limited in the reduction of its Adjusted Separate Journal Spinco Group Federal Tax Liability to its share of such Excess Items on a Proportionate Basis; provided, further, that if, pursuant to the above provisions, an Excess Item is not usable, in whole or in part, by the Journal Group in one Affiliation Year, it may, pursuant to Section 7.03, be carried over or carried back as an Excess Item to any other Affiliation Year subject to the same limitations as above; and

(iii) the taxable year of such member that begins on December 29, 2014 shall be treated as ending on the Distribution Date, and any items of income, gain, loss, deduction, or Credit of such member for the taxable year of such member that begins on the day after the Distribution Date shall be ignored; and

(iv) the items of income, gain, loss, deduction, or Credit of such member that are taken into account shall not include (A) any items attributable to any deemed sale of the assets of such member pursuant to Section 336(e) of the Code, or (B) any items attributable to the settlement of the accounts described in Section 2.02(d).

“Adjustment” shall mean, with respect to any Affiliation Year or Combined Year, any change in actual Tax liability from the Tax liability reported on a Journal Consolidated Return or Journal Combined Return (as the case may be), including changes attributable to amended Tax Returns, deficiencies asserted by a Taxing authority, overpayments, and claims for refund, and changes

required by application of the Code and Treasury Regulations and Taxing authority audits, examinations, proceedings or litigation resulting from any of the foregoing events (collectively, “Adjustment Events”)

“Adjustment Events” shall have the meaning assigned to it in the definition of “Adjustment.”

“Affiliate” shall mean any entity that is directly or indirectly controlled by the person in question; provided, however, that for purposes of this Agreement, immediately after the Effective Time no member of the Journal Spinco Group shall be deemed to be an Affiliate of any member of the Journal Group, and no member of the Journal Group shall be deemed to be an Affiliate of any member of the Journal Spinco Group. For this purpose, “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and the policies of a person, whether through ownership of voting securities, by contract or otherwise.

“Affiliation Year” shall mean each taxable year of Journal with respect to any portion of which any member of the Journal Spinco Group joins Journal in the filing of a Journal Consolidated Return.

“AMT” shall have the meaning assigned to it in Section 2.03.

“Article VIII Taxes” shall have the meaning assigned to it in Section 8.03.

“Code” shall mean the Internal Revenue Code of 1986, as amended. Any references herein to sections of the Code or Treasury Regulations promulgated thereunder shall include any successor provisions thereto.

“Combined Return” shall mean a combined, consolidated, or unitary U.S. state or local income, franchise, business activities or gross receipts Tax Return.

“Combined State” shall mean a U.S. state or locality requiring or permitting the filing of a Combined Return.

“Combined State Total Tax Liability” shall have the meaning assigned to it in Section 3.02.

“Combined Year” shall mean each taxable year of Journal with respect to any portion of which any member of a Journal Spinco Combined Group joins Journal in the filing of a Journal Combined Return.

“Credits” shall mean all of the credits against U.S. federal income Tax or, as applicable, against U.S. state or local Tax. Credits shall include, but not be limited to, foreign Tax credits, research credits, low-income housing credits, investment Tax credits and targeted job credits.

“Distribution” shall mean the distribution on a *pro rata* basis to holders of issued and outstanding shares of Journal Class A Common Stock and Journal Class B Common Stock, of all of the issued and outstanding shares of Journal Spinco Common Stock (“Journal Spinco Common Stock”) by means of a dividend of such Journal Spinco Common Stock to such shareholders.

“Distribution Date” shall mean the date on which the Distribution shall be effected, such date to be determined by, or under the authority of, the Board of Directors of Journal in its sole and absolute discretion.

“Distribution Taxes” shall mean (i) any Taxes imposed on, or increase in Taxes incurred by, Journal or any Journal Affiliate, and any Taxes of a Journal shareholder (or former Journal shareholder) that are required to be paid or reimbursed by Journal or any Journal Affiliate, or by Journal Spinco or any Journal Spinco Affiliate, pursuant to a Final Determination; (ii) all professional fees and court costs incurred in connection with such Taxes; and (iii) all costs, expenses and damages associated with stockholder litigation or controversies, including but not limited to, any amount paid by Journal, any Journal Affiliate, Journal Spinco, or any Journal Spinco Affiliate, as the case may be, in respect of the liability of shareholders, whether paid to shareholders, the IRS, any other Taxing authority, or any other Person, in each case, arising from the Distribution and related transactions failing to have Tax-Free Status in any manner, provided that Journal shall have vigorously defended itself in any legal proceeding involving Taxes of a Journal shareholder, without regard to whether such Taxes are offset or reduced by any Tax asset, Tax Item, or otherwise resulting from, or arising in connection with, the failure of the Distribution to qualify for Tax-Free Status. Any income Tax referred to in the immediately preceding sentence shall be determined using the highest applicable statutory corporate income Tax rate (or rates, in the case of an item that affects more than one Tax) for the relevant taxable period (or portion thereof) taking into account deductions for interest paid or accrued and other related Taxes, such as state and local Taxes.

“Effective Time” shall mean the time at which the Distribution occurs on the Distribution Date.

“Employee Matters Agreement” shall mean the Employee Matters Agreement of even date herewith by and among Scripps, Scripps Spinco, SNOC, Journal, Journal Spinco and Newco.

“Estimated State Taxes” shall have the meaning assigned to it in Section 3.06.

“Excess Items” shall have the meaning assigned to it in the definition of “Adjusted Separate Journal Spinco Member Federal Tax Liability.”

“Excess Journal Group Benefits” shall mean the amount by which the Parties agree that the Journal Group was able to reduce its U.S. federal income Tax liability in the Journal Consolidated Return for an Affiliation Year by use of any Excess Items that do not serve to reduce the Adjusted Separate Journal Spinco Group Federal Tax Liability for such Affiliation Year, if zero, below zero (“Journal Additional Excess Items”). Use of Journal Additional Excess Items shall otherwise be subject to the same limitations and other provisions applicable to the use of Excess Items, as determined by the Parties in good faith.

“Fifty-Percent or Greater Interest” shall mean a “50-percent or greater interest” for purposes of Sections 355(d) and (e) of the Code and the Treasury Regulations promulgated thereunder.

“Final Determination” shall mean the final resolution of liability for any Tax for any taxable period, by or as a result of (i) a final and unappealable decision, judgment, decree or other order by any court of competent jurisdiction; (ii) a final settlement with the IRS, a closing agreement or accepted offer in compromise under section 7121 or section 7122 of the Code, or a comparable agreement under the laws of other jurisdictions, which resolves the entire Tax liability for any taxable period; (iii) any allowance of a refund or credit in respect of an overpayment of Tax, but only after the expiration of all periods during which such refund may be recovered by the jurisdiction imposing the Tax; or (iv) any other final disposition, including by reason of the expiration of the applicable statute of limitations.

“Foreign Attribute” shall mean any item of income, gain, loss or deduction or any asset or liability relevant to the computation of taxable income from sources without the United States and any item of Credit described in Section 901 or 902 of the Code (without regard to the limitation of Section 904 of the Code).

“Fraction” shall have the meaning assigned to it in Section 2.03(a).

“Group” shall mean the Journal Group or the Journal Spinco Group.

“Highest Combined Tax Rate” for the taxable year in question shall mean the sum of (i) the Highest Federal Tax Rate, and (ii) in the case of a corporation, the average, weighted by jurisdiction, of the highest U.S. state and local income, franchise, and gross receipts Tax rates that would be applicable to such a corporation (net of any U.S. federal income Tax benefit), or in the case of a Person other than a corporation, the highest U.S. state and local income Tax rates (net of any U.S. federal income Tax benefit) that would be applicable to such Person or the beneficial owner(s) of such Person.

“Highest Federal Tax Rate” for the taxable year in question shall mean (i) in the case of a corporation, the highest U.S. federal income Tax rate applicable to a corporation, or (ii) in the case of a Person other than a corporation, the highest U.S. federal income Tax rate that would be applicable to such Person or the beneficial owner(s) of such Person.

“Income Tax Benefit” shall mean the amount of the Tax savings realized by the applicable group, as determined by the Parties. Such amount shall be determined by comparing (i) the actual U.S. federal income Tax liability and the corresponding U.S. state and local income Tax liability (net of any federal Tax benefit) of the applicable group for the taxable year in question without giving effect to the items in question with (ii) the actual U.S. federal income Tax liability and the corresponding U.S. state and local Tax liability (net of any federal Tax benefit) of the applicable group for such year after giving full effect to such items. An Income Tax Benefit shall be deemed to be realized at the time that the applicable group receives a refund or credit for refund from the relevant Taxing authority.

“Income Tax Detriment” shall mean the amount of additional Tax incurred by the applicable group, as determined by the Parties. Such amount shall be determined by comparing (i) the actual U.S. federal income Tax and the corresponding U.S. state and local Tax liability (net of any U.S. federal income Tax benefit) of the applicable group for the taxable year in question after giving full effect to the items in question with (ii) the actual U.S. federal income Tax and the corresponding U.S. state and local Tax liability (net of any U.S. federal income Tax benefit) of the applicable group without giving effect to such items. Unless otherwise provided herein, an Income Tax Detriment shall be deemed to be incurred at such time as payment is made to the relevant Taxing authority upon a Final Determination of items in questions. In computing the Tax liability of the Journal Group for purposes of clause (i) of the second sentence of this definition or clause (ii) of the second sentence of the definition of “Income Tax Benefit”

above, increases or decreases in the U.S. federal, state or local income Tax liability of the Journal Group attributable to the effect on Journal's (or any Journal subsidiary's) basis in the stock of any member of the Journal Spinco Group will not be taken into account.

"IRS" shall mean the U.S. Internal Revenue Service.

"Journal" shall mean Journal Communications Inc., a Wisconsin corporation, and any successor in interest to Journal including Scripps LLC.

"Journal Additional Excess Items" shall have the meaning assigned to it in the definition of "Excess Journal Group Benefits."

"Journal Affiliate" shall mean an Affiliate of Journal other than Journal Spinco and Journal Spinco Affiliates.

"Journal AMT Liability" shall have the meaning assigned to it in Section 2.03.

"Journal Business" shall mean all businesses and operations of the Journal Group, other than the Journal Spinco Business.

"Journal Capital Stock" shall mean all classes or series of stock of Journal and all options, warrants, derivatives, rights to acquire stock, and other interests and instruments taken into account for purposes of determining a Fifty-Percent or Greater Interest in Journal.

"Journal Class A Common Stock" shall mean the Class A Common Stock, par value \$0.01 per share, of Journal.

"Journal Class B Common Stock" shall mean the Class B Common Stock, par value \$0.01 per share, of Journal.

"Journal Common Stock" shall have the meaning assigned to it in the Master Transaction Agreement.

"Journal Combined Group" shall mean an affiliated group of corporations (as constituted from time to time) consisting of Journal and one or more Affiliates of Journal that files a Journal Combined Return.

"Journal Combined Return" shall mean a Combined Return that is filed by Journal on behalf of at least two of the following: (i) Journal, (ii) one or more Affiliates of Journal, (iii) Journal Spinco, and (iv) one or more Affiliates of Journal Spinco.

"Journal Consolidated Return" shall mean a consolidated U.S. federal income Tax Return filed by Journal on behalf of the Journal Group.

"Journal Director" shall have the meaning assigned to it in the Employee Matters Agreement.

"Journal Group" shall mean the affiliated group of corporations (as constituted from time to time), of which Journal is the common parent, which Journal determines will join in filing a Journal Consolidated Return.

"Journal Issues" shall have the meaning assigned to it in Section 8.02.

"Journal Participant" shall have the meaning assigned to it in the Employee Matters Agreement.

"Journal Performance Units" shall have the meaning assigned to it in the Employee Matters Agreement.

"Journal Restricted Shares" shall have the meaning assigned to it in the Employee Matters Agreement.

"Journal SARs" shall have the meaning assigned to it in the Employee Matters Agreement.

"Journal Spinco Affiliate" shall mean an Affiliate of Journal Spinco.

"Journal Spinco AMT Liability" shall have the meaning assigned to it in Section 2.03.

"Journal Spinco Business" shall mean the business and operations conducted by the Journal Spinco Group from time to time, whether prior to, at or after the Effective Time, including the business and operations conducted by the Journal Spinco Group.

“Journal Spinco Capital Stock” shall mean all classes or series of stock of Journal Spinco and all options, warrants, derivatives, rights to acquire stock, and other interests and instruments taken into account for purposes of determining a Fifty-Percent or Greater Interest in Journal Spinco.

“Journal Spinco Combined Group” shall mean a group of corporations (as constituted from time to time) that join in the filing of a Journal Combined Return and that consist of (i) Journal Spinco (if Journal Spinco is in existence at the time as of which the determination of such group is made), and (ii) the corporations that, immediately after the Distribution, are Affiliates of Journal Spinco. For the avoidance of doubt, the corporations described in clause (ii) of the immediately preceding sentence are members of the Journal Spinco Combined Group even prior to the formation of Journal Spinco.

“Journal Spinco Common Stock” shall mean the Stock, par value \$0.01 per share, of Journal Spinco.

“Journal Spinco Group” shall mean the group of corporations (as constituted from time to time) that join in the filing of a Journal Consolidated Return and that consist of (i) Journal Spinco (if Journal Spinco is in existence at the time as of which the determination of such group is made), and (ii) the corporations that, immediately after the Distribution, are Affiliates of Journal Spinco. For the avoidance of doubt, the corporations described in clause (ii) of the immediately preceding sentence are members of the Journal Spinco Group even prior to the formation of Journal Spinco.

“Journal Spinco Group State Tax Liability” shall have the meaning assigned to it in Section 3.02.

“Journal Spinco Issues” shall have the meaning assigned to it in Section 8.02.

“Journal Spinco Member Return” shall have the meaning assigned to it in the definition of “Adjusted Separate Journal Spinco Member Federal Tax Liability”.

“Journal Spinco Separate AMT” shall have the meaning assigned to it in 2.03.

“Journal Spinco Unsettled Issues” shall have the meaning assigned to it in Section 8.03.

“Master Transaction Agreement” shall have the meaning assigned to it in the recitals to this Agreement.

“Minimum Tax Credit” shall have the meaning assigned to it in Section 2.03.

“Newco Common Stock” shall have the meaning assigned to it in the Master Transaction Agreement.

“Newco Director” shall have the meaning assigned to it in the Employee Matters Agreement.

“Newco Participant” shall have the meaning assigned to it in the Employee Matters Agreement.

“Newspaper Businesses” shall mean the business conducted directly or indirectly by Journal Spinco or its Affiliates.

“NOLs” shall have the meaning assigned to it in Section 3.03.

“Parties” shall mean, collectively, Journal, Journal Spinco and Newco.

“Party” shall mean, individually, Journal, Journal Spinco or Newco.

“Person” shall mean an individual or a partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, or other entity, without regard to whether such entity is treated as disregarded for U.S. federal income Tax purposes.

“Post-Affiliation Year” shall mean a taxable year of a member of the Journal Spinco Group with respect to which such member does not join in the filing of a Journal Consolidated Return.

“Post-Combined Year” shall mean a taxable year of a member of a Journal Spinco Combined Group with respect to which such member does not join in the applicable Journal Combined Return.

“Proportionate Basis” shall mean, with respect to an item or items attributable to a particular member or members of the Journal Spinco Group, the determination of the portion of such items based on the total value of such items over the total value



of all items in the same category for the entire Journal Group for the same Affiliation Year of the Journal Group, subject to any appropriate Adjustments thereto, as determined by the Parties.

“RAR” shall have the meaning assigned to it in Section 8.03.

“Representation Letters” shall have the meaning assigned to it in Section 5.01.

“Scripps Class A Common Shares” shall have the meaning assigned to it in the Master Transaction Agreement.

“Section 336(e) Election” shall have the meaning assigned to it in Section 15.01.

“Section 6.02 Claims” shall mean claims for refund attributable to items described in and filed pursuant to Section 6.02 of this Agreement.

“Tax” or “Taxes” shall mean any tax, assessment, duty, fee or other charge imposed or collected by any government or political subdivision thereof or any Taxing authority thereunder, including but not limited to, any income, gross income, gross receipts, profits, capital stock, franchise, withholding, payroll, social security, premium, guarantee fund, workers compensation, unemployment, disability, property, *ad valorem*, stamp, excise, severance, occupation, service, sales, use, license, lease, transfer, import, export, value added, minimum, alternative minimum, estimated or other tax (including any assessment, duty, fee or other charge in the nature of or in lieu of any such tax), and any interest, penalties, additions to tax, or additional amounts in respect of the foregoing.

“Tax Advisor” shall mean a United States law or accounting firm of national standing in the field of taxation selected by the Parties.

“Tax Contest” shall mean an audit, review, examination, contest or any other administrative or judicial proceeding with the purpose or effect of redetermining Taxes of any Party (including any administrative or judicial review of any claim for refund) for any Tax period.

“Tax-Free Status” shall mean the qualification of the Distribution and related transactions as a distribution in which no gain or loss is recognized by the shareholders of Journal.

“Tax Return” shall mean any Tax return (including any amended return), report, information return, election, notice or other document filed or to be filed with a Taxing authority, including any schedules or related or supporting information.

“TPIs” shall have the meaning assigned to it in Section 2.03.

“Treasury Regulations” shall mean U.S. Treasury regulations issued under the Code.

“Unqualified Tax Opinion” shall mean an unqualified “will” opinion of a law firm of nationally recognized standing in the field of taxation. Any such opinion shall assume that the Distribution and related transactions would have qualified for Tax-Free Status had the transaction in question not occurred.

SECTION 1.02. General Interpretive Principles. (a) Words in the singular shall include the plural and vice versa, and words of one gender shall include the other gender, in each case, as the context requires, (b) the term “hereof,” “herein,” “hereunder,” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement and not to any particular provision of this Agreement, and any references to Article, Section, paragraph, exhibit and schedule are references to the Articles, Sections, paragraphs, exhibits and schedules to this Agreement unless otherwise specified, (c) the word “including” and words of similar import when used in this Agreement shall mean “including, without limitation,” unless otherwise specified, (d) any reference to any federal, state, local or non-U.S. statute or law shall be deemed to also refer to all rules and regulations promulgated thereunder, unless the context otherwise requires, and (e) any reference to an entity includes a reference to any predecessor or successor.

SECTION 1.03. Applicable Standards. Except as otherwise specifically provided herein, this Agreement shall supersede in all respects any and all policies and procedures governing the allocation of Tax liability among the members of the Journal Group or any Journal Combined Group. Except as otherwise specifically provided hereunder, all determinations and actions required under this Agreement will be taken by Journal and shall be made in good faith taking into account, among other factors, the goal of reducing the aggregate Taxes of the Parties. It is the intention of the Parties that this Agreement shall be administered in a manner so that the allocation of income, deduction, loss or Credit between the Parties will produce Tax consequences for the

Parties, on a current, carryback and carryover basis, that are consistent with those that are required by the Code and Treasury Regulations.

**ARTICLE II**  
**U.S. CONSOLIDATED FEDERAL INCOME TAX LIABILITIES**

SECTION 2.01. Affiliation Years.

(a) *Journal Spinco and Journal Tax Liabilities.* Journal Spinco irrevocably designates and agrees to cause each of its Affiliates to so designate Journal as its agent to take any and all actions necessary or incidental to the preparation and filing of Journal Consolidated Returns. Journal shall be responsible for, and shall indemnify and hold Journal Spinco and the Journal Spinco Affiliates harmless against all U.S. federal income Tax liabilities in respect of members of the Journal Group (other than members of the Journal Spinco Group) under Treasury Regulations Section 1.1502-6. Journal Spinco shall be liable for and shall pay Journal the Adjusted Separate Journal Spinco Group Federal Tax Liability for each such Affiliation Year. Journal shall pay Journal Spinco for Excess Journal Group Benefits, if any, for any such year if the Adjusted Separate Journal Spinco Group Federal Tax Liability for such year is zero.

(b) *2014 Tax Liability.* At least three (3) business days before Journal files the Journal Consolidated Return for the 2014 Taxable Year, the Parties shall determine the amount of the 2014 Tax Liability and the amount of any Excess Journal Group Benefits for such year (“2014 Excess Journal Group Benefits”). Journal Spinco shall pay to Journal or Journal shall pay to Journal Spinco an amount equal to the difference between (i) the 2014 Tax Liability and (ii) (A) the sum of any payments previously made by Journal Spinco to Journal with respect to the 2014 Tax Liability (including any payments in the nature of installment estimated payments with respect to the 2014 Tax Liability), reduced (to and below zero) by (B) the sum of any payments previously made or to be made by Journal to Journal Spinco in respect of any 2014 Excess Journal Group Benefits. The “2014 Tax Liability” is the Adjusted Separate Journal Spinco Group Federal Tax Liability for the taxable year ending on December 28, 2014 (“2014 Taxable Year”). Any such payment by Journal or by Journal Spinco is due within five (5) business days after the filing of the Journal Consolidated Return for the 2014 Taxable Year.

SECTION 2.02. 2015 Taxable Year.

(a) *2015 Tax Liability.* Journal agrees to indemnify and hold Journal Spinco and Journal Spinco Affiliates harmless against U.S. federal income tax liabilities in respect of members of the Journal Group (other than members of the Journal Spinco Group) under Treasury Regulation Section 1.1502-6. The “2015 Tax Liability” is the Adjusted Separate Journal Spinco Group Federal Tax Liability for the taxable year beginning on December 29, 2014 and ending on and including the Distribution Date (the “2015 Taxable Year”). Journal shall pay Journal Spinco for the Excess Journal Group Benefits, if any, for the taxable year of the Journal Group beginning on December 29, 2014 if the Adjusted Separate Journal Spinco Group Federal Tax Liability is zero under the preceding sentence (“2015 Excess Journal Group Benefits”).

(b) *Estimated Payments, Etc.* From and after the date of this Agreement, Journal Spinco shall pay to Journal no later than the day before each due date for the payment of quarterly estimated U.S. federal income Taxes for the taxable year of the Journal Group beginning on December 29, 2014 and the payment due March 15, 2016 the difference, if any, between (A) the 2015 Tax Liability due based on the method for making estimated payments elected by Journal pursuant to Section 6655 of the Code, and (B) the sum of any payments previously made (or deemed paid) by Journal Spinco to Journal with respect to the 2015 Tax Liability.

(c) *Payment Upon Filing Return.* At least three (3) business days before the day that Journal files the Journal Consolidated Return for the taxable year beginning on December 29, 2014, Journal shall determine the amount of the 2015 Tax Liability, and the amount of any 2015 Excess Journal Group Benefits. Journal Spinco shall pay to Journal or Journal shall pay to Journal Spinco, as the case may be, the difference between (i) the 2015 Tax Liability and (ii) (A) the sum of the payments previously made by Journal Spinco to Journal with respect to the 2015 Tax Liability (including any payments in the nature of installment estimated payments with respect to the 2015 Tax Liability) reduced (to and below zero) by (B) the sum of any payments previously made or to be made by Journal to Journal Spinco in respect of any 2015 Excess Journal Group Benefits. Any such payment by Journal or by Journal Spinco is due within five (5) business days after the filing of the Journal Consolidated Return for the 2015 Taxable Year.

(d) *Settling Tax Payable Accounts.* All payments pursuant to Articles II or III between Journal and Journal Spinco that are made after the date of this Agreement and prior to the Distribution Date shall be made through an increase or decrease in intercompany accounts between Journal and Journal Spinco. On the business day immediately preceding the Distribution Date, Journal Spinco and Journal shall cooperate to (i) forecast (based on the most accurate and complete information then available) the total amount of all payments that, under Article II (not including this Section 2.02(d)) and under Article III, remain to be made with respect to the taxable year beginning December 29, 2014 and prior taxable years, and (ii) arrange to have all such forecasted

payments made on such day through an increase or decrease in intercompany accounts between Journal and Journal Spinco. At the close of the business day immediately preceding the Distribution Date, Journal and Journal Spinco shall settle all intercompany account obligations then existing with respect to Taxes for all Affiliation Years and all Combined Years as follows: (i) any account obligations of Journal Spinco that are owned by Journal shall be netted against any account obligations of Journal that are owned by Journal Spinco; (ii) if the net remaining account obligation is owed by Journal Spinco to Journal, then this account obligation shall be transferred on such day by Journal to Journal Spinco as a contribution to capital; and (iii) if the net remaining account obligation is owed by Journal to Journal Spinco, then this account obligation shall be transferred on such day by Journal Spinco to Journal as a distribution. Such settlement shall not be deemed to affect the treatment of the prior increases and decreases in the intercompany accounts described above in this Section 2.02(d) as being payments for purposes of this Agreement.

(e) *Assignment of Taxable Items.* The Parties shall determine the amounts of income, gain, loss, deduction, and Credit of the Journal Spinco Group for the 2015 Taxable Year that are properly includable in the Journal Consolidated Return for the taxable year of the Journal Group beginning on December 29, 2014. For all relevant purposes of this Agreement, the members of the Journal Spinco Group and each Journal Spinco Combined Group shall cease to be members of the Journal Group and their respective Journal Combined Group as of the end of the Distribution Date, and Journal Spinco shall cause the books of account of the members of the Journal Spinco Group and the Journal Spinco Combined Groups to be closed for accounting and Tax purposes as of the end of the Distribution Date in accordance with Journal's direction. In determining consolidated taxable income for the taxable period that ends on the Distribution Date, the income and other items of the Journal Spinco Group shall be determined in accordance with Treasury Regulations Sections 1.1502-76(b)(1), -76(b)(2)(i) and -76(b)(2)(iv) and no election shall be made under Treasury Regulations Section 1.1502-76(b)(2)(ii)(D) to ratably allocate items. However, an allocation shall be made under Treasury Regulations Section 1.1502-76(b)(2)(iii) if such allocation is determined by the Parties to be necessary to appropriately allocate income in the event that the Distribution Date occurs on any date other than the last or first day of any month. Pursuant to Treasury Regulations Section 1.1502-76(b)(2)(vi), any item of a pass-through entity that is owned by a member of the Journal Spinco Group shall be allocated as if such member sold its entire interest in the entity immediately before the Distribution. In the event that a member or members of the Journal Spinco Group would be treated as owning an interest of less than 50% in the aggregate in such pass-through entity, then pursuant to Treasury Regulations Section 1.706-1(c)(2)(ii), each such member's share of any distributive items shall be the amount determined by taking into account the pro rata part of such items that such member would have included in taxable income had such member remained a partner or owner of the pass-through entity until the end of the partnership tax year based on the portion of the partnership taxable year that has elapsed through the Distribution Date or upon such other reasonable method that the Parties may agree. Journal Spinco and Journal Spinco Affiliates shall file their respective Tax Returns for the taxable period beginning on the first day after the Distribution Date consistently with such determinations.

(f) *Determining Foreign Attributes.* Without limiting the foregoing, the Parties shall also determine the portion of any Foreign Attribute for the Journal Spinco Group that is allocable to the 2015 Taxable Year, provided, that such portion to be allocated will not include any amount described in Section 951(a) of the Code (relating to inclusions in income of controlled foreign corporation earnings) or any amount described in Section 1293(a) of the Code (relating to inclusions in income of qualified electing fund earnings), or any indirect foreign Tax Credit under Sections 960 and 1293(f) of the Code for foreign income Taxes deemed paid with respect to either of these items; and provided, further, that, without the prior written consent of Journal, such consent not being unreasonably withheld, conditioned or delayed, Journal Spinco and its subsidiaries shall not elect to recapture an amount of taxable income from sources without the U.S. of any member of the Journal Spinco Group greater than the minimum amount required by Section 904(f)(1) of the Code for any Affiliation Year. Journal Spinco shall provide Journal with all information it reasonably requests to make any determination under this Section 2.02(f). Journal shall likewise share all information with Journal Spinco necessary for Journal Spinco to determine its share of the consolidated foreign Tax Credits for the Affiliation Year ending December 27, 2015 and all prior Affiliation Years.

#### SECTION 2.03. U.S. Federal Alternative Minimum Tax.

(a) *Journal Spinco Tax Liability.* Notwithstanding any other provision in this Agreement, if, for any Affiliation Year, the Journal Group is liable for alternative minimum Tax for U.S. federal income Tax purposes (or any similar U.S. federal Tax) ("AMT") and the Journal Spinco Group would be liable for AMT if it filed a Tax Return as a separate consolidated group ("Journal Spinco Separate AMT"), the amount payable by Journal Spinco to Journal under this Article II with respect to such Affiliation Year shall in no event be less than an amount (the "Journal Spinco AMT Liability") determined by the Parties equal to the product of the AMT liability for the Journal Group (the "Journal AMT Liability") and a fraction (the "Fraction") (x) the numerator of which is the sum of the Tax preference items and adjustments of the Journal Spinco Group relevant for purposes of the computation of AMT (the "TPIs") for such Affiliation Year and (y) the denominator of which is the sum of the TPIs of all members of the Journal Group for such Affiliation Year. The Journal Spinco AMT Liability for such Affiliation Year shall not exceed the amount of the Journal Spinco Separate AMT for such Affiliation Year.

(b) *Minimum Tax Credits.* If for any Affiliation Year Journal Spinco has paid to Journal the Journal Spinco AMT Liability, Journal shall pay to Journal Spinco its proportionate share (determined below) of the minimum Tax credit for U.S. federal

income Tax purposes (the “Minimum Tax Credit”) arising from such Affiliation Year which is actually utilized by the Journal Group in a subsequent Affiliation Year. Journal Spinco’s proportionate share of such credit for any Affiliation Year shall be equal to the product of such credit and the Fraction (defined in subsection (a) above). In no event shall Journal Spinco be paid amounts in the aggregate in respect of such credit in excess of the corresponding Journal Spinco AMT Liability.

### ARTICLE III U.S. COMBINED STATE AND LOCAL INCOME TAX LIABILITIES

SECTION 3.01. Returns Covered. If Journal Spinco or any Journal Spinco Affiliate is required to join in a Journal Combined Return, the allocation and settlement of amounts due among the Parties shall be governed by this Article III. Journal Spinco irrevocably designates and agrees to cause each of its Affiliates to so designate Journal as its agent to take any and all actions necessary or incidental to the preparation and filing of Journal Combined Returns.

SECTION 3.02. Liability of Journal Spinco. For the taxable year beginning on December 29, 2014, and for each prior taxable year, the Parties shall determine each Journal Spinco Combined Group’s respective share, as determined below, of the total U.S. state and local Tax liability in each such Combined State (each a “Combined State Total Tax Liability”). The Journal Spinco Combined Group’s share of each Combined State Total Tax Liability (“Journal Spinco Group State Tax Liability”) will be based on the apportionment percentage of all members of the Journal Spinco Combined Group, determined with reference only to those companies that are subject to such state’s taxing jurisdiction, as if such members of the Journal Spinco Combined Group had filed a separate Combined Return; provided, however, that in the case of the taxable year beginning on December 29, 2014, such determination of the Journal Spinco Group State Tax Liability shall not take into account any items of income, gain, loss deduction, or Credit attributable to any deemed sale of the assets of any member of the Journal Spinco Combined Group pursuant to Section 336(e) of the Code. The Journal Spinco Group State Tax Liability shall include any minimum or similar Taxes for members of each Journal Spinco Combined Group that may be required by the relevant state or locality. Journal shall be responsible for, and shall indemnify and hold Journal Spinco and the Journal Spinco Affiliates harmless against all Combined Return Tax liabilities in respect of members of the Journal Group; provided, however, that Journal Spinco shall be liable for and shall pay Journal the Journal Spinco Group State Tax Liability for each Combined Return for all taxable years ending on, before or including the Distribution Date.

SECTION 3.03. Operating Losses. The Journal Spinco Group State Tax Liability will not be reduced by, nor will Journal Spinco or any other Journal Spinco Combined Group member receive any payment, credit or benefit for, U.S. state or local net operating losses (“NOLs”), including any carryback or carryover NOLs, that any such member generates for U.S. state or local income Tax purposes on a stand-alone basis, whether or not they are used in a Combined Return (except insofar as such NOLs may reduce the Journal Spinco Combined Group’s share of the total U.S. state and local Tax liability for a Journal Combined Return).

SECTION 3.04. Short-Year State and Local Returns. The Parties agree that Combined Returns filed for Tax periods beginning December 29, 2014, will reflect a short taxable year for Journal Spinco ending on the Distribution Date in any state or local taxing jurisdiction in which such Tax year is allowed by administrative practice, whether or not required by law.

SECTION 3.05. Estimated Taxes, Etc. For each Combined State, the Parties will determine the Journal Spinco Combined Group’s estimated Tax payments and extension payments (collectively, “Estimated State Taxes”), will prescribe the information required to be provided by the Journal Spinco Combined Group to support Journal’s preparation and filing of Combined Returns and payment of Estimated State Taxes, together with a schedule of due dates for providing of such information and paying its share of Estimated State Taxes, and Journal Spinco will timely and accurately provide and pay the same to Journal, the Parties will calculate the aggregate Journal Spinco Group State Tax Liability for all Combined States for a Combined Year less a credit for aggregate Estimated State Taxes paid or determine the refund due to Journal Spinco to the extent aggregate Estimated State Taxes paid by Journal Spinco exceed the aggregate Journal Spinco Group State Tax Liability. For each Combined Return, payment by Journal Spinco to Journal with respect to a Combined Year is due within three (3) business days before the date such Tax are required to be paid. Payment by Journal to Journal Spinco of any Journal Spinco overpayment is due within five (5) business days after the return including the overpayment is filed.

#### SECTION 3.06. Adjustments.

(a) If an Adjustment occurs, the Journal Spinco Group State Tax Liability for the year in question shall be recomputed by the Parties, including all changes to apportionment percentages that result from such Adjustment. Journal Spinco shall make payments to Journal for an increase in the Journal Spinco Group Tax Liability or Journal shall make payments to Journal Spinco for a decrease in the Journal Spinco Group Tax Liability, including its allocable share of interest, penalties and additions to Tax and external costs. Payment in respect of such Adjustments by Journal Spinco is due at least one (1) business day before the date

payment of such Adjustment is required to be made. Payment in respect of such Adjustments by Journal is due within five (5) business days after Journal receives a refund or credit for refund in respect of the items in question.

(b) Subject to Article VIII, the Parties shall jointly control all Tax Contests relating to any such Adjustments.

#### **ARTICLE IV SEPARATE TAX RETURN OBLIGATIONS**

SECTION 4.01. Journal Spinco Tax Liability. Journal Spinco shall be responsible for, and shall indemnify and hold harmless Journal and Journal Affiliates against, any and all U.S. federal, state, local and non-U.S. Taxes that are required to be reported on any separate Tax Return of Journal Spinco or a Journal Spinco Affiliate.

SECTION 4.02. Journal Tax Liability. Journal shall be responsible for, and shall indemnify and hold harmless Journal Spinco and Journal Spinco Affiliates against, any and all U.S. federal, state, local and non-U.S. Taxes that are required to be reported on any separate Tax Return of Journal or a Journal Affiliate.

SECTION 4.03. Separate Return Adjustments. If there is an adjustment to a separate Tax Return of Journal or a Journal Affiliate, or of Journal Spinco or a Journal Spinco Affiliate, as the case may be, that results in the inclusion in income in such Tax Return of income attributable to the other group of companies, and the recipient thereby incurs an Income Tax Detriment, Journal Spinco shall pay to Journal or Journal shall pay to Journal Spinco, as the case may be, an amount equal to such Income Tax Detriment (including any interest, penalties and additions to Tax) within thirty (30) business days after the Final Determination of such Income Tax Detriment.

#### **ARTICLE V TAX-FREE STATUS OF DISTRIBUTION**

SECTION 5.01. Tax-Free Status Opinion, Etc. Journal Spinco shall not take or fail to take, and shall not permit any Journal Spinco Affiliates to take or fail to take, any action inconsistent with or that will cause to be untrue any material information or representation in the representation letters that the Tax Advisor relied upon in rendering an opinion or opinions on the Tax-Free Status ("Representation Letters") or formal advice or opinion. Journal shall not take or fail to take, and shall not permit any Journal Affiliates to take or fail to take, any action inconsistent with or that shall cause to be untrue any material information or representation in the Representation Letters or formal advice or opinion. In the event any material information or representation in the Representation Letters shall be untrue, Journal and Journal Spinco shall allocate the Distribution Taxes arising therefrom 75% to Journal and 25% to Journal Spinco, Journal Spinco shall be responsible for, and shall indemnify and hold Journal and Journal Affiliates, and their direct and indirect shareholders harmless against, 25% of any Distribution Taxes and Journal shall be responsible for and shall indemnify and hold Journal Spinco and Journal Spinco Affiliates, and their direct and indirect shareholders harmless against 75% of any Distribution Taxes.

SECTION 5.02. Maintaining Status of Active Business. Journal Spinco agrees that it intends to maintain the status of the Newspaper Businesses as an active trade or business as defined in Section 355(b)(2) of the Code and the Treasury Regulations promulgated thereunder, that is part of, or treated as part of, the Journal Spinco Group for U.S. federal income Tax purposes. Journal agrees that it intends to maintain the status of the Journal Businesses as an active trade or business as defined in Section 355(b)(2) of the Code and the Treasury Regulations promulgated thereunder that is part of, or treated as part of the Journal Group for U.S. federal income Tax purposes.

SECTION 5.03. Limits on Proposed Acquisition Transactions. The provisions of the Scripps Tax Matters Agreement, dated as of the 30th day of July, 2014, by and among (i) Scripps, on the one hand, and (ii) Scripps Spinco and Newco, on the other hand, shall apply with respect to actions that may trigger liability to Scripps under Section 355(e) of the Code.

#### **ARTICLE VI CARRYOVER AND CARRYBACK ITEMS**

SECTION 6.01. Carryovers to Post-Affiliation Years. The Parties shall apportion any U.S. federal consolidated net operating or capital losses, Credits or other applicable items between members of the Journal Spinco Group (departing from the Journal Group as a consequence of the Distribution and related transactions) and members of the Journal Group (not taking into account Journal Spinco Group members) pursuant to applicable Treasury Regulations promulgated under Section 1502 of the Code. Such consolidated items and their apportionment shall be adjusted to reflect any Adjustments that take place with respect to applicable Affiliation Years.

SECTION 6.02. Carrybacks from Post-Affiliation Years.

(a) *Carryback Items.* If Journal Spinco and/or its Affiliates sustain U.S. federal capital or net operating losses or generate U.S. federal Credits in a Post-Affiliation Year which may be carried back to an Affiliation Year and will generate an Income Tax Benefit, Journal Spinco may request Journal to file a Section 6.02 Claim with the IRS with respect to the U.S. federal income Tax liability of the Journal Group for such Affiliation Year. Journal shall have sole discretion whether to accept a request to file carryback claims (except for foreign Tax Credit or domestic source capital loss carryback claims) and file any amended Tax Returns or claims for refund relating thereto, which discretion may be exercised without regard to satisfying a standard of good faith or any other standard provided for in this Agreement or elsewhere. With regard to requests to file claims to carryback foreign Tax Credits or domestic source capital losses to an Affiliation Year, Journal shall implement such requests it determines in good faith to be available on the terms set forth hereinafter.

(b) *Procedures.* If Journal files a Section 6.02 Claim, Journal shall have full control over the Section 6.02 Claim and shall consult with Journal Spinco to determine the nature of all actions to be taken in connection with such claim. If there is any limitation that applies to the Journal Group in respect of all or a portion of the items that comprise a Section 6.02 Claim in respect of foreign Tax Credits or domestic source capital losses, any Income Tax Benefit in respect of such claim shall be determined by Journal in consultation with Journal Spinco. If there are any limitations in the ability of the Journal Group to utilize items in the same category as the items that comprise such claim, any Income Tax Benefit shall be determined by Journal in consultation with Journal Spinco based on the assumption that the items were utilized on a Proportionate Basis. Journal shall pay to Journal Spinco the amount of the Income Tax Benefit, if any, derived from such claim within 30 business days after it receives a refund or credit for refund therefor. Journal Spinco shall repay to Journal all or a portion of such amount to the extent the Income Tax Benefit is reduced as a result of an Adjustment for any Affiliation Year or otherwise, together with applicable interest and penalties. If Journal elects to file a Section 6.02 Claim in respect of the carryback of any attribute other than foreign Tax Credits or domestic source capital losses, the terms for payment and other provisions shall be determined based upon the mutual agreement, if any, of the Parties. If Journal files a Section 6.02 Claim, Journal Spinco shall indemnify Journal for any additional Taxes or loss of Tax benefits incurred by a member of the Journal Group (including interest, penalties and additions to Tax), other than a member of the Journal Spinco Group, arising from such claim. Journal shall also be entitled to reimbursement from Journal Spinco for any reasonable external costs for professional services incurred by Journal in connection with the Section 6.02 Claim whether or not Journal Spinco receives payment or credit therefor.

## **ARTICLE VII U.S. FEDERAL INCOME TAX ADJUSTMENTS**

SECTION 7.01. Determination. If an Adjustment occurs, the liability of Journal Spinco or Journal, as the case may be, pursuant to Article II, or the amounts allocated pursuant to Article VI, shall be recomputed by the Parties. As recomputed for purposes of Article II, Journal Spinco shall make payments to Journal for an increase in Journal Spinco's liability or Journal shall make payments to Journal Spinco for an increase in Journal's liability. For purposes of Sections 2.01 and 2.02, Journal Spinco's liability shall be deemed to have increased as a result of any Adjustment that results in an increase in the Adjusted Separate Journal Spinco Group Federal Tax Liability or a decrease in the Excess Journal Group Benefits, and Journal's liability shall be deemed to have increased as a result of any Adjustment that results in a decrease in the Adjusted Separate Journal Spinco Group Federal Tax Liability or an increase in the Excess Journal Group Benefits.

SECTION 7.02. Payments. Payments due from Journal Spinco to Journal shall be made no later than one (1) business day before the due date for payment by Journal to a Taxing authority upon the Final Determination of the items in question, or, to the extent no such payment to a Taxing authority is due, within ten (10) business days after the date of such Final Determination. Payments due from Journal to Journal Spinco shall be made within ten (10) business days after Journal receives a refund or a credit for a refund with regard to the items in question after a Final Determination therefor. Such payments shall include any applicable interest, penalties and additions to Tax and, if applicable, any reasonable external costs for professional services incurred by Journal thereon. In calculating any interest payable by Journal Spinco to Journal hereunder, interest, if any, due from Journal to the IRS shall first be deemed to arise with respect to the increase in the liability of Journal Spinco, as determined above.

SECTION 7.03. Procedures. Subject to Section 6.02, for any Affiliation Year or Combined Year, the Parties will determine whether to give effect, through any Tax Return, claim for refund or otherwise, to items of loss, deduction or Credit for the Journal Spinco Group which are greater than those reflected on prior Tax Returns and the nature of all actions taken with respect thereto. If Journal files such a claim, Journal Spinco shall indemnify Journal for any additional Taxes or loss of Tax benefits incurred by a member of the Journal Group or the applicable Journal Combined Group (including interest, penalties and additions to Tax), other than a member of the Journal Spinco Group, arising from such claim.

SECTION 7.04. Intercompany Adjustments. If any transaction or arrangement between Journal and/or Journal Affiliates, on the one hand, and Journal Spinco and/or Journal Spinco Affiliates, on the other hand, is recharacterized for applicable Tax

purposes under Section 482 of the Code or otherwise and such recharacterization results in an Income Tax Detriment to one applicable group of companies and an Income Tax Benefit to the other group, the group incurring the Income Tax Detriment shall be paid by the other group an amount equal to such Income Tax Detriment (including any interest, penalties and additions to Tax) within thirty (30) business days after the Final Settlement of such Income Tax Detriment. In addition, each Party shall be responsible for, and shall indemnify and hold the other Parties and their Affiliates harmless against, any Taxes attributable to intercompany items or otherwise for any stock or other assets (tangible or intangible) transferred to it (or a Journal Affiliate, in the case of Journal, or a Journal Spinco Affiliate, in the case of Journal Spinco ) from another Party (or from a Journal Affiliate, in the case of Journal, or a Journal Spinco Affiliate, in the case of Journal Spinco) for which it is determined not to have paid or provided fair market value consideration.

## ARTICLE VIII INCOME TAX PROCEEDINGS

SECTION 8.01. Notice. Each Party shall provide prompt notice to the other Parties of any pending or threatened Tax audit, assessment, proceeding or other Tax Contest of which it becomes aware that could affect any Tax liability for which any other Party may be responsible under this Agreement; provided, however, that failure to give prompt notice shall not affect the indemnification obligations hereunder except to the extent the Party providing indemnification is actually prejudiced thereby. Such notice shall contain factual information (to the extent known) describing such matters in reasonable detail and shall be accompanied by copies of any notice and other documents received from any Taxing authority in respect of any such matters.

SECTION 8.02. Journal Spinco and Journal Issues. Journal and Journal Spinco hereby agree that during the course of an audit or any Tax Contest relating to any Affiliation Year or Combined Year, they will in good faith endeavor to discuss and resolve separately with the IRS or any equivalent state or local Taxing authority (as the case may be) any Journal Spinco Issues and Journal Issues. "Journal Spinco Issues" are issues relating to items of income, gain, loss, deduction, or Credit that are attributable solely to the Journal Spinco Group and that could not reasonably have material adverse consequences for the U.S. federal, state or local income Tax liability of a member of the Journal Group (other than a member of the Journal Spinco Group) if resolved against the taxpayer. "Journal Issues" are any other issues, including issues relating to Foreign Attributes of the Journal Spinco Group.

### SECTION 8.03. Procedures.

(a) In the event a Revenue Agent's Report ("RAR") or equivalent state or local report is issued with respect to an Affiliation Year or a Combined Year, and the RAR or equivalent state or local report contains Adjustments proposed with respect to Journal Spinco Issues, at Journal Spinco's request, Journal shall protest (as provided for in applicable Treasury Regulations or applicable state or local rules and regulations) the adjustments made with respect to Journal Spinco Issues. Journal Spinco will prepare that portion of any protest which it determines should be filed in connection with any Adjustment proposed with respect to Journal Spinco Issues and shall limit such portion of the protest to the defense of the specific Journal Spinco Issues raised in the RAR or equivalent state or local report.

(b) After the filing of such protest, Journal and Journal Spinco shall jointly meet with the IRS, state or local representatives responsible for disposing of the issues in dispute and request the separate resolution of the Journal Issues and Journal Spinco Issues. They shall further request that the IRS or equivalent state or local Taxing authority assign separate representatives to conduct any review of or proceedings on their respective issues.

(c) Regardless of whether the IRS or equivalent state or local Taxing authority agrees to resolve the issues affecting each Party or assign separate representatives to deal with the issues of each, Journal and Journal Spinco each will attend meetings and will prepare written presentations to be made to the IRS or equivalent state or local Taxing authority regarding any Adjustments proposed only with respect to its respective issues. Journal and Journal Spinco shall keep each other promptly informed of any developments and discussions at any such meetings concerning Adjustments, whether or not formally proposed, affecting the other such Party.

(d) For each Affiliation Year or Combined Year, Journal shall have control of all Journal Issues not otherwise settled at the audit or appeals level of the IRS or equivalent state or local Taxing authority. For each Affiliation Year or Combined Year, Journal Spinco shall have control of all Journal Spinco Issues not otherwise settled by Journal Spinco at the audit or appeals level of the IRS or equivalent state or local Taxing authority ("Journal Spinco Unsettled Issues").

(e) To the extent any Journal Issues could affect any Tax liability for which the Journal Spinco Group may be responsible, Journal Spinco shall have joint control over decisions to resolve, settle or otherwise agree to any deficiency, claim or Adjustment, and Journal shall not settle any such Journal Issue without the consent of Journal Spinco, such consent not to be unreasonably withheld, conditioned or delayed. To the extent that any Journal Spinco Issues could affect any Tax liability for

which the Journal Group may be responsible, Journal shall have joint control over decisions to resolve, settle or otherwise agree to any deficiency, claim or Adjustment, and Journal Spinco shall not settle any such Journal Spinco Issue without the consent of Journal, such consent not to be unreasonably withheld, conditioned or delayed.

#### SECTION 8.04. Forum for Judicial Proceedings.

(a) Prior to instituting legal proceedings with respect to a Journal Spinco Unsettled Issue, Journal Spinco shall, at its sole cost and expense, unless Journal agrees to waive the same, obtain an evaluation of the Journal Spinco Unsettled Issues from an independent attorney experienced in the field of U.S. federal corporate income Taxation (or state or local Taxation, in the case of a Combined Return), who shall be selected jointly by the Parties and who, in the case of a listed or reportable transaction for U.S. federal income Tax Purposes, is not a disqualified Tax advisor within the meaning of Section 6664(d)(3)(B)(ii) of the Code. The evaluation shall state, for the Journal Spinco Unsettled Issues on an issue by issue basis, whether, in the opinion of the attorney (which in the case of a listed transaction or reportable transaction for U.S. federal income Tax purposes does not constitute a disqualified Tax opinion as defined in Section 6664(d) of the Code) the filing position will more likely than not be sustained. Any discussions with respect to the evaluation shall be held with both Journal and Journal Spinco jointly, and such attorney shall send a copy of the evaluation (including any drafts thereof) to both such Parties simultaneously.

(b) If the evaluation discloses any Journal Spinco Unsettled Issues which do not fully meet the aforementioned standards as applicable, Journal Spinco shall be obligated to settle such issues with the IRS or equivalent state or local authority at its own cost and expense within a reasonable period of time after receipt of the evaluation. In any case where judicial proceedings are instituted, with respect to an Affiliation Year or Combined Year, Journal shall be entitled to select the forum for such judicial proceedings, unless such proceedings involve Journal Spinco Unsettled Issues or issues that could affect any Tax liability for which the Journal Spinco Group may be responsible. If Journal Spinco Unsettled Issues or issues that could affect any Tax liability for which the Journal Spinco Group may be responsible are involved, Journal Spinco shall be entitled to participate in the selection of the forum for judicial proceedings. Each Party shall bear the costs of litigation in respect of its own issues.

(c) Prior to instituting legal proceedings with respect to a Journal Unsettled Issue, Journal shall, at its sole cost and expense, unless Journal Spinco agrees to waive the same, obtain an evaluation of the Journal Unsettled Issues from an independent attorney experienced in the field of U.S. federal corporate income Taxation (or state or local Taxation, in the case of a Combined Return), who shall be selected jointly by the Parties and who, in the case of a listed or reportable transaction for U.S. federal income Tax Purposes, is not a disqualified Tax advisor within the meaning of Section 6664(d)(3)(B)(ii) of the Code. The evaluation shall state, for the Journal Unsettled Issues on an issue by issue basis, whether, in the opinion of the attorney (which in the case of a listed transaction or reportable transaction for U.S. federal income Tax purposes does not constitute a disqualified Tax opinion as defined in Section 6664(d) of the Code) the filing position will more likely than not be sustained. Any discussions with respect to the evaluation shall be held with both Journal and Journal Spinco jointly, and such attorney shall send a copy of the evaluation (including any drafts thereof) to both such Parties simultaneously.

(d) If the evaluation discloses any Journal Unsettled Issues which do not fully meet the aforementioned standards as applicable, Journal shall be obligated to settle such issues with the IRS or equivalent state or local authority at its own cost and expense within a reasonable period of time after receipt of the evaluation. Journal shall be entitled to select the forum for such judicial proceedings, unless such proceedings involve Journal Spinco Unsettled Issues or issues that could affect any Tax liability for which the Journal Spinco Group may be responsible. If Journal Unsettled Issues or issues that could affect any Tax liability for which the Journal Spinco Group may be responsible are involved, Journal Spinco shall be entitled to participate in the selection of the forum for judicial proceedings. Each Party shall bear the costs of litigation in respect of its own issues.

### ARTICLE IX PAYMENTS

SECTION 9.01. Reporting of Indemnity Payments, Etc. Any Tax indemnity payments hereunder shall, unless otherwise required by law, be reported for Tax purposes by the payer and the recipient as a cash capital contribution by Journal or a cash distribution by Journal Spinco, as the case may be, immediately before the Distribution. If, notwithstanding such reporting, such payment results in additional taxable income to the recipient, such payments shall be increased such that the amount that the recipient receives (net of Taxes) shall equal the amount of the payment that it would otherwise be entitled to receive pursuant to this Agreement.

SECTION 9.02. Interest on Late Payments. If any payments hereunder are not made when due, interest shall accrue on the unpaid amount at the underpayment rate for large corporate underpayments, in effect from time to time under Section 6621 of the Code, while such amount is outstanding.



**ARTICLE X**  
**TAX RETURNS**

SECTION 10.01. Cooperation and Furnishing of Tax Return Information.

(a) *Cooperation.* Journal and Journal Spinco each agree to cooperate fully in connection with the preparation of any Tax Return relating to any Affiliation Year or Combined Year and the resolution of any related Tax audits, proceedings or disputes.

(b) *Tax Return Information.* For purposes of the preparation by Journal of Tax Returns for the taxable years beginning on and prior to December 29, 2014, respectively, on or prior to such date(s) as specified by Journal, Journal Spinco shall provide Journal with Tax information for all members of the Journal Spinco Group (and for all members of each Journal Spinco Combined Group), including but not limited to, schedule(s) showing the items of income, gain, loss, deduction and Credit (including items relating to Foreign Attributes) with respect to such taxable year and complete work papers together with such other information as Journal may reasonably request. The information provided by Journal Spinco shall be consistent with any similar information provided by Journal Spinco to Journal for prior taxable years.

(c) *Journal Spinco Disclosures.* With respect to all Affiliated Years or Combined Years, Journal Spinco represents that it has provided, and agrees to promptly provide, to Journal complete and accurate information that Journal requests to satisfy all applicable U.S. federal, state and local, and non-U.S. disclosure and reporting requirements in respect of listed transactions, reportable transactions and other transactions that may be viewed as Tax-motivated, including, but not limited to, U.S. state expense disallowance information. With respect to all Affiliated Years and Combined Years, Journal Spinco also represents that it has provided, and agrees to promptly provide, to Journal all documents and other information that is required or Journal requests to satisfy the transfer pricing and other documentation requirements set forth in Sections 482 and 6662 of the Code and the Treasury Regulations thereunder or otherwise (including analogous provisions under U.S. state and local or non-U.S. law), including but not limited to, principal documents as defined in Treasury Regulations Section 1.6662-6(d)(2)(iii)(B), and to address any transfer pricing audit issue arising under Section 482 of the Code or otherwise, and shall promptly provide to Journal any documents and information it may request, including background documents as defined in Treasury Regulations Section 1.6662-6(d)(2)(iii)(C). Journal Spinco further represents that it has provided, and agrees to promptly provide, to Journal all internal and external tax opinions memoranda relating to the transactions and other matters addressed in this subsection (c). If Journal Spinco fails to timely satisfy the requirements of this subsection (c), it will indemnify, and hold Journal and Journal Affiliates harmless against, any Taxes, interest, penalties or additions to Tax arising therefrom.

(d) *Journal Disclosures.* With respect to any taxable year ending on or prior to the Distribution Date, Journal shall promptly provide to Journal Spinco complete and accurate information that is required or Journal Spinco requests to satisfy all applicable U.S. federal, state and local, and non-U.S. disclosure and reporting requirements in respect of listed transactions, reportable transactions and other transactions that may be viewed as Tax-motivated, including, but not limited to, U.S. state expense disallowance information. With respect to any taxable year ending on or prior to the Distribution Date, Journal shall promptly provide to Journal Spinco all documents and other information that is required or Journal Spinco requests to satisfy the transfer pricing and other documentation requirements set forth in Sections 482 and 6662 of the Code and the Treasury Regulations thereunder or otherwise (including analogous provisions under U.S. state and local or non-U.S. law), including but not limited to, principal documents as defined in Treasury Regulations Section 1.6662-6(d)(2)(iii)(B), and to address any transfer pricing audit issue arising under Section 482 of the Code or otherwise, and shall promptly provide to Journal Spinco any documents and information it may request, including background documents as defined in Treasury Regulations Section 1.6662-6(d)(2)(iii)(C). Journal shall also promptly provide to Journal Spinco all internal and external tax opinions memoranda relating to the transactions and other matters addressed in this subsection (d). If Journal fails to timely satisfy the requirements of this subsection (d), it will indemnify, and hold Journal Spinco and Journal Spinco Affiliates harmless against, any Taxes, interest, penalties or additions to Tax arising therefrom.

SECTION 10.02. Preparation of Tax Returns.

(a) *Preparation.* Journal shall have sole authority for the preparation and filing of any Journal Consolidated Return and any Journal Combined Return. With respect to any Journal Consolidated Return or Journal Combined Return for the taxable year beginning on December 30, 2013 or the taxable year beginning on December 29, 2014, Journal shall afford Journal Spinco a meaningful opportunity to review and comment on such returns, and shall consider such comments in good faith. Any decisions with respect to the timing, filing, or content of any Journal Consolidated Return or Journal Combined Return shall be made by Journal.

(b) *Elections.* Journal Spinco and the appropriate members of the Journal Spinco Group or a Journal Spinco Combined Group shall make or give their consent to such elections or other matters relating to the Journal Spinco Group or a Journal Spinco Combined Group as Journal determines is necessary or advisable in connection with the filing of any Journal Consolidated Return

or Journal Combined Return. Without the prior written consent of Journal, no member of the Journal Spinco Group may elect to be considered as not having been a member of the Journal Group for U.S. federal income Tax purposes and no member of a Journal Spinco Combined Group may elect to be considered as not having been a member of the Journal Combined Group for U.S. state or local Tax purposes, for any taxable year of such member that begins before the Distribution Date.

## **ARTICLE XI POST AFFILIATION YEARS AND POST COMBINED YEARS**

SECTION 11.01. Returns. Journal Spinco shall not and shall not permit any of the Journal Spinco Affiliates to (i) file or amend any Tax Return for a Post-Affiliation Year or a Post-Combined Year, in a manner that is inconsistent with the manner in which Journal filed its Tax Returns in an Affiliation Year or a Combined Year or (ii) make any election for any Post-Affiliation Year or Post-Combined Year if such election would have the effect of binding or requiring conformity by any member of the Journal Group (other than a member of the Journal Spinco Group) or by any member of a Journal Combined Group (other than a member of a Journal Spinco Combined Group) for any Affiliation Year or Combined Year.

SECTION 11.02. Actions or Transactions. Journal Spinco shall be obligated to inform and disclose fully to Journal any actions taken or transactions undertaken in a Post-Affiliation Year or a Post-Combined Year which can reasonably be expected to affect in any material way the Tax liability of the Journal Group for any Affiliation Year or of the Journal Combined Group for any Combined Year.

SECTION 11.03. Proposed Adjustments. Journal Spinco shall promptly notify Journal and keep Journal apprised of any proposed Adjustments which arise out of an audit or examination of a Post-Affiliation Year or Post-Combined Year Tax Return which could reasonably be expected to affect in any material way the Tax liability of the Journal Group for any Affiliation Year or of the Journal Combined Group for any Combined Year or which could reasonably result in treatment of items that is inconsistent with the manner in which Journal filed its Tax Returns for such years.

## **ARTICLE XII BOOKS AND RECORDS**

SECTION 12.01. Retention Period. Without limiting any of the provisions of this Agreement, each of the Parties agrees that it shall retain, until the expiration of the appropriate statutes of limitations (including any extensions) plus ninety (90) days, copies of any Tax Returns for any open periods during the Affiliation Years and Combined Return Years which might be subject to Adjustment under this Agreement, supporting work schedules and other books, records or information which may be relevant and that it will not destroy or otherwise dispose of such records without first providing the other Parties with a reasonable opportunity to review and copy the same. Without limiting the foregoing, Journal Spinco shall cooperate with Journal in identifying such books, records or information and so retain or provide to Journal such books, records or information as may be specified by Journal in writing within 180 days after the Distribution Date. Any information obtained pursuant to this Agreement, or any other information obtained by Journal or Journal Spinco relating to the Tax position of any Party shall be kept confidential by the Parties, except if otherwise required by a Taxing authority.

SECTION 12.02. Record Retention Policy. Without limiting the foregoing, each of the Parties agrees that it shall retain copies of any books and records in its possession as required by any record retention agreement in effect from time to time, between Journal and the IRS or any other Taxing authority.

SECTION 12.03. Tax Attributes. Journal Spinco shall maintain and provide to Journal upon request information which will enable Journal to determine, clarify or verify the adjusted book and Tax bases of the Journal Spinco stock held by Journal, Journal Spinco's assets, both tangible and intangible, including the stock of all directly and indirectly owned subsidiaries of Journal Spinco which were members of the Journal Spinco Group or a Journal Spinco Combined Group at any time during Affiliation Years or Combined Years (but not any taxable year which does not affect an Affiliation Year or a Combined Year), and the adjusted book and Tax bases of all assets, both tangible and intangible, of such subsidiaries. In addition, Journal Spinco shall maintain and provide to Journal upon request all relevant information for the determination of earnings and profits of any members of the Journal Spinco Group, in accordance with applicable provisions of the Code and the Treasury Regulations thereunder.

SECTION 12.04. Apportionment of Earnings and Profits and Tax Attributes. The Parties shall determine the portion, if any, of any earnings and profits, overall foreign loss, capitalized research and development expenditures or other consolidated, combined or unitary Tax attribute which shall be allocated or apportioned to the Journal Spinco Group under applicable law. In the event of a subsequent Adjustment to such allocations and apportionments, Journal shall promptly notify Journal Spinco in writing of such Adjustment. For the absence of doubt, Journal shall not be liable to Journal Spinco or any member of the Journal Spinco Group for any failure of any determination under this Section 12.04 to be accurate.

**ARTICLE XIII  
COMPENSATION AND EMPLOYEE BENEFITS**

SECTION 13.01. General. Except as provided in Section 13.02, for U.S. federal, applicable U.S. state and local income and other Tax purposes, all deductions in respect of compensation and employee benefits, whether on or before or after the Distribution Date, shall be allocated to either (i) Journal (or its appropriate subsidiary), or (ii) Newco or Journal Spinco (or their appropriate subsidiary) based on the entity which, directly or indirectly, provides (or is obligated to provide) the cash or other consideration to its employees, former employees or other service providers or any individual whose rights are derived from such individual's relationship with such employee, former employee or service provider.

SECTION 13.02. Stock-Based Awards. For U.S. federal, applicable U.S. state and local income and other Tax purposes, all deductions in respect of Journal SARs, Journal Restricted Shares and Journal Performance Units, whether on or before or after the Distribution Date, shall be allocated as follows:

(a) Deductions in respect of Journal SARs shall be allocated to Journal as of the Distribution Date and not to Scripps LLC (whether such deductions relate to exercises of Journal SARs or cash payments made in accordance with Section 7.03(a) of the Employee Matters Agreement).

(b) Deductions in respect of Journal Restricted Shares shall be allocated to Journal as of the Distribution Date and not to Scripps LLC.

(c) Deductions in respect of Journal Performance Units shall be allocated to Journal as of the Distribution Date and not to Scripps LLC (whether such deductions relate to payments made in the form of Journal Common Stock, Scripps Class A Common Shares or Newco Common Stock).

SECTION 13.03. Reporting of Deductions. Unless otherwise required by law, Journal, Journal Spinco and Newco shall for themselves and their appropriate subsidiaries compute their respective Tax liability and file all applicable Tax Returns in accordance with the allocations under Sections 13.01 and 13.02 above. In the event that any deduction allocated under such Sections to an entity that paid the cash or other consideration is subsequently required by law to be reported by another entity for Tax purposes, Journal, Journal Spinco or Newco shall pay the entity to which the deduction was allocated under such Sections such amounts as are necessary to put such entity in the same position, on an after Tax basis, as it would have been if the allocation under such Sections had been respected.

SECTION 13.04. Employment Taxes and Tax Reporting. To the extent that Journal, Journal Spinco, Newco or any of their subsidiaries is allocated a deduction for Tax purposes under Sections 13.01 and 13.02 above or otherwise, then subject to any obligations under the Employee Matters Agreement, the entity to which the deduction is allocated shall be solely responsible for satisfying any withholding and employment Tax liabilities and Tax reporting obligations in respect of the compensation that corresponds to such deduction, provided that if it is determined by such entity that it is not administratively practical to meet such liability and obligations, the affected parties shall apply an appropriate alternative approach.

**ARTICLE XIV  
NEWCO'S AND SCRIPPS LLC'S OBLIGATIONS**

SECTION 14.01. Newco's Obligations. On and after the Distribution Date, Newco shall be jointly and severally liable for all obligations of Journal Spinco pursuant to this Agreement.

SECTION 14.02. Scripps LLC's Obligations. On and after the Distribution Date and following the Merger, Scripps LLC, as successor in interest to Journal, shall be liable for all obligations of Journal pursuant to this Agreement.

**ARTICLE XV  
SECTION 336(e) ELECTION**

SECTION 15.01. Section 336(e) Election. Journal and the appropriate subsidiaries of Journal shall take such actions as they deem necessary in order to cause elections under Section 336(e) of the Code (a "Section 336(e) Election") to be made with respect to Journal Sentinel, Inc. and Journal Community Publishing Group, Inc. in connection with the Journal Newspaper Distribution (as defined in the Master Transaction Agreement).

**ARTICLE XVI  
MISCELLANEOUS**

SECTION 16.01. Notices. All notices, requests, claims, demands and other communications hereunder must be in writing and will be deemed to have been duly given only if delivered personally or by facsimile transmission or mailed (first class postage prepaid) to the Parties at the following addresses or facsimile numbers:

If to Scripps LLC, to:

Desk BC Merger, LLC  
312 Walnut Street  
Cincinnati, Ohio 45202  
Facsimile: (513) 977-3042  
Attention: William Appleton, Senior Vice President and General Counsel

with a copy to:

Baker & Hostetler LLP  
1050 Connecticut Ave. NW, Suite 1100  
Washington DC, 20036  
Attention: Jeffrey H. Paravano  
Facsimile: (202) 861-1770

If to Journal or any member of the Journal Group, to:

Journal Communications, Inc.  
333 West State Street  
Milwaukee, Wisconsin 53203  
Attention: Steven J. Smith  
Chairman of the Board and Chief Executive Officer  
Facsimile: (414) 224-2469

with a copy to:

Foley & Lardner LLP  
777 East Wisconsin Avenue  
Milwaukee, WI 53202-5306  
Attention: Benjamin F. Garmer III  
Russell E. Ryba  
Facsimile: (414) 297-4900

If to Journal Spinco or any member of the Journal Spinco Group, to:

Boat Spinco, Inc.  
333 West State Street  
Milwaukee, Wisconsin 53203  
Attention: Steven J. Smith  
Chief Executive Officer  
Facsimile: (414) 224-2469

with a copy to:

Foley & Lardner LLP  
777 East Wisconsin Avenue  
Milwaukee, WI 53202-5306  
Attention: Benjamin F. Garmer III  
Russell E. Ryba  
Facsimile: (414) 297-4900

If to Newco, to:

Boat NP Newco, Inc.  
333 West State Street  
Milwaukee, Wisconsin 53203  
Attention: Steven J. Smith  
Chief Executive Officer  
Facsimile: (414) 224-2469

with a copy to:

Foley & Lardner LLP  
777 East Wisconsin Avenue  
Milwaukee, WI 53202-5306  
Attention: Benjamin F. Garmer III  
Russell E. Ryba  
Facsimile: (414) 297-4900

All such notices, requests and other communications will (i) if delivered personally to the address as provided in this section, be deemed given upon delivery, (ii) if delivered by facsimile transmission to the facsimile number as provided in this section, be deemed given upon receipt and (iii) if delivered by mail in the manner described above to the address as provided in this section, be deemed given upon receipt (in each case regardless of whether such notice, request or other communication is received by any other Person to whom a copy of such notice, request or other communication is to be delivered pursuant to this section). Any Party from time to time may change its address, facsimile number or other information for the purpose of notices to that Party by giving notice specifying such change to the other Party.

SECTION 16.02. Complete Agreement; Representations.

(a) This Agreement, together with any exhibits and schedules hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof and shall supersede all previous negotiations, commitments and writings with respect to such subject matter. Notwithstanding any other provision of this Agreement to the contrary, neither Article II nor Article III shall apply to any Affiliation Year or Combined Year ending on or before December 29, 2013, except (i) to the extent that items of loss, deduction, or Credits are carried back (or are treated as being carried back for purposes of the definition of "Adjusted Separate Journal Spinco Group Federal Tax Liability") into an Affiliation Year ending on or before December 29, 2013 from an Affiliation Year ending after December 29, 2013, or (ii) to the extent that an Adjustment occurs for an Affiliation Year or Combined Year ending on or before December 31, 2013.

(b) Journal represents on behalf of itself and each other member of the Journal Group and Journal Spinco represents on behalf of itself and each other member of the Journal Spinco Group as follows:

(i) each such Person has the requisite corporate or other power and authority and has taken all corporate or other action necessary in order to execute, deliver and perform this Agreement to which it is a Party and to consummate the transactions contemplated by this Agreement; and

(ii) this Agreement has been duly executed and delivered by such Person (if such Person is a Party) and constitutes a valid and binding agreement of it enforceable in accordance with the terms hereof (assuming the due execution and delivery thereof by the other Party) except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and by general equitable principles.

SECTION 16.03. Amendment, Modification, or Waiver.

(a) This Agreement may be amended, supplemented, modified or superseded only by a written instrument signed by duly authorized signatories of the Parties.

(b) Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. No waiver by any Party of any term or condition of this Agreement, in any one or more instances, shall be deemed or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by law or otherwise afforded, will be cumulative and not alternative.

SECTION 16.04. Severability. If any provision of this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement.

SECTION 16.05. No Double Recovery. No provision of this Agreement shall be construed to provide an indemnity or other recovery for any costs, damages or other amounts for which the injured Party has been fully compensated under any other provision of this Agreement or under any other agreement or action at law or equity. Unless expressly required in this Agreement, a Party shall not be required to exhaust all remedies available under other agreements or at law or equity before recovering under the remedies provided in this Agreement.

SECTION 16.06. Costs and Expenses.

(a) *Journal Services*. Journal shall provide services in connection with this Agreement, including but not limited to, those services relating to the preparation of returns and determination of the Tax liability of Journal Spinco as described in this Agreement. Journal Spinco shall pay Journal compensation or fees for such services with respect to 2014 Taxable Year and 2015 Taxable Year in accordance with the allocation of corporate overhead for the 2014 Taxable Year and the period for the 2015 Taxable Year prior to the Distribution, respectively.

(b) *Other Expenses*. Except as expressly set forth in this Agreement, each Party shall bear its own costs and expenses incurred pursuant to this Agreement, including, but not limited to, reasonable attorneys' fees, accountant fees and other related professional fees and disbursements.

SECTION 16.07. No Assignment; Binding Effect; No Third-Party Beneficiaries.

(a) Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any Party without the prior written consent of the other Parties and any attempt to do so will be void. Subject to the preceding sentence, this Agreement is binding upon, inures to the benefit of and is enforceable by the Parties and their respective successors and assigns.

(b) Except for provisions relating to Affiliates, the terms and provisions of this Agreement are intended solely for the benefit of each Party and their respective Affiliates, successors or permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other Person.

(c) Notwithstanding anything herein to the contrary, unless the context indicates otherwise, if an obligation is imposed on Journal or Journal Spinco hereunder it shall cause any Person that directly or indirectly controls or is controlled by it to comply therewith to the extent reasonably necessary to carry out such obligation. "Control" for these purposes shall have the same meaning as that set forth under the definition of "Affiliate".

SECTION 16.08. Headings. The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof.

SECTION 16.09. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

SECTION 16.10. Governing Law. This Agreement and any dispute arising out of, in connection with or relating to this Agreement shall be governed by and construed in accordance with the Laws of the State of New York, without giving effect to the conflicts of laws principles thereof.

SECTION 16.11. Disputes.

(a) Except with respect to injunctive relief described below, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall attempt to be settled first, by good faith efforts of the Parties to reach mutual agreement, and second, if mutual agreement is not reached to resolve the dispute, by final, binding arbitration as set out below.

(b) A Party that wishes to initiate the dispute resolution process shall send written notice to the other Parties, in accordance with this Section 16.11, with a summary of the controversy and a request to initiate these dispute resolution procedures. Each Party shall appoint a knowledgeable, responsible representative who has the authority to settle the dispute, to meet and to negotiate in good faith to resolve the dispute. The discussions shall be left to the discretion of the representatives who may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations (i) shall be treated as confidential Information developed for purposes of settlement, (ii) shall be exempt from discovery and production and (iii) shall not be admissible in the arbitration described below or in any lawsuit pursuant to Rule 408 of the Federal Rules of Evidence. Documents identified in or provided with such communications that are not prepared for purposes of the negotiations are not so exempted and may, if otherwise admissible, be

admitted in evidence in the arbitration or lawsuit. The Parties agree to pursue resolution under this subsection for a minimum of 30 calendar days before requesting arbitration.

(c) If the dispute is not resolved under the preceding subsection within 30 calendar days of the initial written notice, any Party may demand arbitration by sending written notice to the other Parties. The Parties shall promptly submit the dispute to the American Arbitration Association for resolution by a single neutral arbitrator acceptable to all the Parties, as selected under the rules of the American Arbitration Association. The dispute shall then be administered according to the American Arbitration Association's Commercial Arbitration Rules, with the following modifications: (i) the arbitration shall be held in a location mutually acceptable to the Parties, and, if the Parties do not agree, the location shall be Cincinnati, Ohio; (ii) the arbitrator shall be licensed to practice law; (iii) the arbitrator shall conduct the arbitration as if it were a bench trial and shall use, apply and enforce the Federal Rules of Evidence and Federal Rules of Civil Procedure; (iv) except for breaches related to confidential information, the arbitrator shall have no power or authority to make any award that provides for consequential, punitive or exemplary damages or extend the term hereof; (v) the arbitrator shall control the scheduling so that the hearing is completed no later than 30 calendar days after the date of the demand for arbitration; and (vi) the arbitrator's decision shall be given within five calendar days thereafter in summary form that states the award, without written decision, which decision shall follow the plain meaning of this Agreement, and in the event of any ambiguity, the intent of the Parties. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction over the Parties. Each Party to the dispute shall bear its own expenses arising out of the arbitration, except that the Parties shall share the expenses of the facilities to conduct the arbitration and the fees of the arbitrator equally.

(d) The foregoing notwithstanding, each Party shall have the right to seek injunctive relief in an applicable court of law or equity to preserve the status quo pending resolution of the dispute and enforce any decision relating to the resolution of the dispute.

(e) Notwithstanding anything in this Agreement to the contrary, the dispute resolution provisions set forth in this Section 16.11 shall not be applicable to any disagreement between the Parties relating to Distribution Taxes and any such dispute shall be settled in a court of law or as otherwise agreed to by the Parties.

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the date first above written.

DESK BC MERGER, LLC

By: /s/ Richard A. Boehne  
Richard A. Boehne, Chief Executive Officer

JOURNAL COMMUNICATIONS, INC.

By: /s/ Steven J. Smith  
Steven J. Smith, Chairman and Chief Executive Officer

BOAT SPINCO, INC.

By: /s/ Steven J. Smith  
Steven J. Smith, Chief Executive Officer

BOAT NP NEWCO, INC.

By: /s/ Steven J. Smith  
Steven J. Smith, Chief Executive Officer





# Scripps, Journal merging broadcast operations, spinning off newspapers

*Transaction will create two focused public companies, one built upon TV, the other newspapers*

- The spinoffs and mergers create two industry-focused companies positioned for success.
- The E.W. Scripps Company, based in Cincinnati, will own and operate television and radio stations serving 27 markets and reaching 18 percent of U.S. television households. Scripps will be the fifth-largest independent TV group in the country.
- Journal Media Group, a newly formed newspaper publishing entity, will be headquartered in Milwaukee and operate in 14 markets.
- Scripps shareholders will own 69 percent of the combined broadcasting company and 59 percent of the newly formed Journal Media Group. Journal Communications shareholders will own 31 percent and 41 percent, respectively, of Scripps and Journal Media Group. Scripps shareholders also will receive a \$60 million special cash dividend as part of the deal.
- With strong balance sheets, both public companies will be well positioned to make further investments and acquisitions with expected net leverage of about 2x at closing for Scripps and no debt at Journal Media Group.
- The transaction is expected to generate about \$35 million in combined synergies, resulting in substantial long-term cost savings, and create long-term value for shareholders.

**CINCINNATI and MILWAUKEE (July 30, 2014)** - The E.W. Scripps Company (NYSE: SSP) and Journal Communications (NYSE: JRN) have agreed to merge their broadcast operations and spin off and then merge their newspapers, creating two focused and separately traded public companies that offer long-term opportunities to create value for shareholders.

The merged broadcast and digital media company, based in Cincinnati, will retain The E.W. Scripps Company name, and the Scripps family shareholders will continue to have voting control. The company will have approximately 4,000 employees across its television, radio and digital media operations and is expected to have annual revenue of more than \$800 million.

The newspaper company will be called Journal Media Group and will combine Scripps' daily newspapers, community publications and related digital products in 13 markets with Journal Communications' *Milwaukee Journal Sentinel*, Wisconsin community publications and affiliated digital products. The company, with expected annual revenue of more than \$500 million and approximately 3,600 employees, will be headquartered in Milwaukee.

The Scripps and Journal Communications boards of directors have approved the stock-for-stock transactions, which are subject to customary regulatory and shareholder approvals.

The deal is expected to close in 2015.

“In one motion, we’re creating an industry-leading local television company and a financially flexible newspaper company with the capacity and vision to help lead the evolution of their respective industries,” said Rich Boehne, chairman, president and CEO of The E.W. Scripps Company, who will continue at the helm of Scripps. “Making the combinations even more appealing are the rich histories of these two organizations, both driven by a deep commitment to public service through enterprise journalism. For shareholders, this deal should unlock significant value as both companies gain efficiency, scale and more focus on the industry dynamics unique to these businesses.”

“This transaction will create two solid media businesses that will continue to serve their communities with a commitment to integrity and excellence that has been built over many years,” said Steven J. Smith, chairman and CEO of Journal Communications. “Journal’s radio and television stations will add depth and breadth to the Scripps TV group and additional expertise to its management team. The formation of the new Journal Media Group, headquartered in Milwaukee, will continue a tradition of exceptional print and digital journalism in 14 markets across the country. These companies will offer a combination of excellent local media assets and an incredible array of talent in our employees. We look to the future with great optimism and a continued sense of purpose in providing relevant, differentiated content to our local communities across the country.”

Journal Communications’ Class A and Class B shareholders will receive 0.5176 Scripps Class A Common shares and 0.1950 shares in Journal Media Group for each Journal Communications share. Scripps shareholders will receive 0.2500 shares in Journal Media Group for each Class A Common Share and each Common Voting Share they hold in Scripps.

Journal Communications shareholders will own approximately 31 percent of The E.W. Scripps Company’s total shares following the merger. Scripps shareholders will retain approximately 69 percent ownership. The Scripps family will retain its controlling interest in The E.W. Scripps Company through its ownership of Common Voting shares. Scripps shareholders will own 59 percent of the new newspaper company, Journal Media Group, and Journal Communications shareholders will own 41 percent. Journal Media Group will have one class of stock and no controlling shareholder.

Scripps shareholders of record just prior to the closing will receive a \$60 million special dividend.

The transaction is expected to be tax-free to shareholders of both companies. The companies project about \$35 million in combined transaction synergies in the near term.

### **Benefits for Scripps**

The merger will create significant strategic and financial benefits for Scripps including:

- Creating the opportunity for improving TV division margins;
- Adding a profitable radio business;
- Positioning the TV group in attractive markets across the country, including stations in eight important political states - Arizona, Colorado, Florida, Michigan, Missouri, Nevada, Ohio and Wisconsin;
- Extending Scripps’ position as one of the largest owners of ABC-affiliated TV stations in the country by market reach, with 15 ABC affiliates, and expanding its affiliations to all of the Big Four networks;
- Benefitting from co-ownership of TV and radio in five markets;
- Leveraging high-quality journalism and Scripps’ original television programming across a larger geographic footprint; and
- Maintaining a strong balance sheet, with expected net leverage at closing estimated at about 2x, allowing plenty of capacity for additional acquisitions.

The combination further leverages Scripps’ digital investments, adding large and attractive markets to the portfolio. The company is building and launching market-leading digital brands that serve growing digital media audiences in

addition to supporting its on-air local news brands. It also recently acquired digital brands with national reach such as Newsy and DecodeDC that will benefit from the new geographic markets.

The Scripps National Spelling Bee will remain under the stewardship of The E.W. Scripps Company.

### **Benefits for Journal Media Group**

The spinoff will create significant strategic and financial benefits for the combined newspaper operations, including:

- Creating a powerful source of enterprise journalism and the opportunity for innovation in the industry;
- Building upon a geographically diverse portfolio of strong local media brands in 14 attractive markets, including Naples, Fla.; Florida's Treasure Coast; Knoxville; Memphis; and Milwaukee;
- Leveraging best practices of each company across all functions to drive revenue growth, efficiency and cost effectiveness;
- Increasing scale and financial flexibility, allowing Journal Media Group to navigate the ongoing transformation of the local media landscape; and
- Establishing a solid balance sheet with \$10 million of cash and no debt (Scripps is keeping substantially all qualified pension obligations).

Tim Stautberg, senior vice president, newspapers for Scripps, will become president, CEO and a director of Journal Media Group upon completion of the transaction. Steve Smith will become non-executive chairman of the board.

Wells Fargo Securities acted as exclusive financial advisor to Scripps, Evercore Partners acted as exclusive financial advisor to the Scripps family, and Methuselah Advisors acted as exclusive financial advisor to Journal Communications.

### **Conference call**

Scripps and Journal senior managers will discuss the merger and spinoff with investors and analysts during a telephone conference call Thursday at 9 a.m. (Eastern). To access a live audio webcast of the call, visit [www.scripps.com](http://www.scripps.com), choose "Investor Information" then follow the link in the "Calendar" section.

During the call, managers will refer to a PowerPoint presentation with details of the deal. That presentation can be found at [www.scripps.com](http://www.scripps.com) or [www.journalcommunications.com](http://www.journalcommunications.com).

To access the conference call by telephone, dial (800) 288-8974 (U.S.) or (612) 332-0632 (International), approximately 10 minutes before the start of the call. Callers will need the name of the call ("Scripps call") to be granted access. Callers also will be asked to provide their name and company affiliation. The media and general public are provided access to the conference call on a listen-only basis.

A replay line will be open from 11 a.m. today until 11:59 p.m. Thursday, Aug. 7. The domestic number to access the replay is 1-800-475-6701 and the international number is 1-320-365-3844. The access code for both numbers is 333280.

A replay of the conference call will be archived and available online for an extended period of time following the call. To access the audio replay, visit [www.scripps.com](http://www.scripps.com) approximately four hours after the call, choose "Investor Information" then follow the "Audio Archives" link at the top of the page.

### **About Scripps**

The E.W. Scripps Company ([www.scripps.com](http://www.scripps.com)) serves audiences and businesses through a growing portfolio of television, print and digital media brands. Scripps owns 21 local television stations as well as daily newspapers in 13 markets across the United States. It also runs an expanding collection of local and national digital journalism and information businesses including online multi-source video news provider Newsy. Scripps also produces television programming, runs an award-winning investigative reporting newsroom in Washington, D.C., and serves as the

long-time steward of one of the nation's longest-running and most successful educational programs, Scripps National Spelling Bee. Founded in 1879, Scripps is focused on the stories of tomorrow.

### **About Journal**

Journal Communications, Inc. headquartered in Milwaukee, Wisconsin, is a diversified media company with operations in television and radio broadcasting, publishing and digital media. Journal owns and operates or provides services to 14 television stations and 35 radio stations in 11 states. In addition, Journal publishes the *Milwaukee Journal Sentinel*, which serves as the only major daily newspaper for the metro-Milwaukee area, and several community newspapers in Wisconsin. In support of its strong local broadcasting and publishing brands, Journal operates a growing portfolio of digital media assets, from websites to apps to mobile products, that allow viewers, listeners and readers to access Journal's original content anytime and from any device. Learn more at [www.journalcommunications.com](http://www.journalcommunications.com).

*Carolyn Micheli, The E.W. Scripps Company, 513-977-3732  
carolyn.micheli@scripps.com*

### **Additional Information and Where to Find It**

The proposed transactions involving Scripps and Journal will be submitted to the holders of Common Voting shares of Scripps and to the holders of Class A and Class B common stock of Journal for their consideration. In connection with the proposed transactions, Scripps will prepare a registration statement on Form S-4 that will include a joint proxy statement/prospectus to be filed with the Securities and Exchange Commission (the "SEC"), and each of Scripps and Journal will mail the joint proxy statement/prospectus to their respective shareholders and file other documents regarding the proposed transactions with the SEC. **Scripps and Journal urge investors and shareholders to read the joint proxy statement/prospectus when it becomes available, as well as other documents filed with the SEC, because they will contain important information.** Investors and shareholders will be able to obtain the registration statement containing the joint proxy statement/prospectus and other documents free of charge at the SEC's web site, <http://www.sec.gov>, from Scripps Investor Relations, Carolyn Micheli, at [Carolyn.micheli@scripps.com](mailto:Carolyn.micheli@scripps.com) or 513-977-3732, or from Journal at Jason Graham, Senior Vice President of Finance and Chief Financial Officer, at 414-224-2884 or [jgraham@jrn.com](mailto:jgraham@jrn.com).

### **Forward-Looking Statements**

This communication contains certain forward-looking statements with respect to the financial condition, results of operations and business of Scripps and Journal and the combined businesses of Journal and Scripps and certain plans and objectives of Scripps and Journal with respect thereto, including the expected benefits of the proposed spin and merger transactions. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "hope", "aim", "continue", "will", "may", "would", "could" or "should" or other words of similar meaning or the negative thereof. There are several factors which could cause actual plans and results to differ materially from those expressed or implied in forward-looking statements. Such factors include, but are not limited to, the expected closing date of the proposed transactions; the possibility that the expected synergies and value creation from the proposed transactions will not be realized, or will not be realized within the expected time period; the risk that the businesses will not be integrated successfully; disruption from the proposed transactions making it more difficult to maintain business and operational relationships; the risk that unexpected costs will be incurred; changes in economic conditions, political conditions, licensing requirements and tax matters; and the possibility that the proposed transactions do not close, including, but not limited to, due to the failure to satisfy the closing conditions. These forward-looking statements are based on numerous assumptions and assessments made by Scripps and/or Journal in light of their experience and perception of historical trends, current conditions, business strategies, operating environment, future developments and other factors that each party believes appropriate. By their nature, forward-looking statements involve known and unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this communication could cause actual results, performance or achievements, industry results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and persons reading this communication are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this communication. Neither Scripps nor Journal assumes any obligation to update the information contained in this communication (whether as a result of new information, future events or otherwise), except as required by applicable law. A further list and description of risks and uncertainties at Scripps can be found in Scripps's Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and in its reports filed on Form 10-Q and

Form 8-K. A further list and description of risks and uncertainties at Journal can be found in Journal's Annual Report on Form 10-K for the fiscal year ended December 29, 2013 and in its reports filed on Form 10-Q and Form 8-K.

**Participants in Solicitation**

Scripps, Journal and certain of their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies in connection with the proposed transactions under the rules of the SEC. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the proposed transactions will be set forth in the joint proxy statement/prospectus when it is filed with the SEC. You can find information about Scripps's directors and executive officers in its Annual Report for the year ended December 31, 2013 on Form 10-K filed with the SEC on March 4, 2014 and the definitive proxy statement relating to its 2014 Annual Meeting of Shareholders filed with the SEC on March 21, 2014. You can find information about Journal's directors and executive officers in its Annual Report for the year ended December 29, 2013 on Form 10-K filed with the SEC on March 10, 2014 and the definitive proxy statement relating to its 2014 Annual Meeting of Shareholders filed with the SEC on March 21, 2014. These documents can be obtained free of charge from the sources indicated above.

**Non-Solicitation**

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. This communication is not a solicitation of a proxy from any investor or shareholder.