

Settlement Agreement

This Settlement Agreement (“Settlement Agreement”) is dated as of August 29, 2019 (the “Effective Date”), by and between (i) the Dolan Family plaintiffs (“Dolan”); and (ii) the Altice defendants (“Altice”), as such parties are fully referenced in the pleadings of Case No.2018-0651-JRS (the “Lawsuit”) now pending in the Court of Chancery of the State of Delaware (the “Delaware Chancery Court”). Dolan and Altice may hereafter be referenced individually as a “Party” and collectively as the “Parties.”

Recitals

- A. The Parties have been litigating a dispute over the News 12 Networks (“News 12”) covenants in the Agreement and Plan of Merger dated September 16, 2015, pursuant to which Altice acquired Cablevision Systems Corporation and News 12 (the “Merger Agreement”).
- B. Trial in the Lawsuit is set to begin on September 4, 2019 in Dover, Delaware.
- C. By entering into this Settlement Agreement, the Parties wish to avert the referenced trial and achieve complete dismissal of the Lawsuit.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereto agree as follows:

1. Subject to exception only for select clauses with expressly stated shorter duration, the term of this Settlement Agreement shall be from the Effective Date until February 28, 2023 (the “Term”).
2. During the Term, News 12 shall maintain a total number of Full Time Equivalent Employees (“FTEs”) equal to the number of FTEs at News 12 as of September 30, 2018, which the Parties believe to be no less than 371 FTEs and which the Parties shall timely verify by diligence.
3. Open positions at any one time cannot exceed 10% of total budgeted FTEs. Altice shall cause News 12 to exercise its best efforts to fill open positions within 60 days. Such positions must be filled within 90 days.
4. News 12 shall continue to operate in its current structure of a network of hyper-local news operations serving Long Island, Connecticut, Westchester, the Hudson Valley, Bronx, Brooklyn, and New Jersey.
5. Fully functioning studios shall be maintained by News 12 on Long Island, New Jersey, and the Bronx with at least the same capabilities and staff as of September 30, 2018.
6. The technical quality and production values of News 12 shall be maintained at least the same level as existed in September 2018 or better.

7. There shall be no further consolidation of News 12 regional operations.

8. The Settlement Agreement shall survive any sale or merger of News 12 or a transfer of all or substantially all of its assets. If Altice decides to sell News 12 to an organization or individuals without existing broadcast news operations, Altice will include Pat Dolan among the potential bidders in the sale process and will negotiate in good faith regarding a potential sale of News 12 to Pat Dolan (the "Negotiation Provision"). For purposes of clarification, this Negotiation Provision shall not be triggered by a transaction resulting in a change of control of Altice. This Settlement Agreement shall bind any and all successors to News 12.

9. News 12 shall maintain its traditional focus on substantive hyper-local journalism. A minimum of 80% of each News 12 unit's coverage will pertain uniquely to the communities in the region served.

10. Content categories at News 12 shall include:

- Hard News
- Issue-focused
- Human Interest
- Lifestyle
- Sports
- Weather and Traffic

The average "mix" of these content categories in each daypart over the course of any given month will remain roughly equivalent to the "mix" of content in the individual dayparts as of September 30, 2018, except as may be affected by a major news event (such as Hurricane Sandy).

Each News 12 Network will produce a mutually agreed number of investigative, multi-part series, documentary, issue-oriented, human interest, or other in-depth projects per month. By October 31, 2019, the Parties shall agree to the referenced number. Absent agreement at that time, the Auditor shall establish the number consistent with historical averages.

Hyper-local sports coverage will continue at current levels. There shall be no attempt to substantially alter sports coverage.

11. There shall be no further deployment of MMJ's or "one man bands," unless it involves further resources.

12. No brand integrations or sponsorships will occur in hard news. Reporters or anchors who cover or deliver hard news will not participate in branded content or sponsorships. For avoidance of doubt, "hard news" is breaking news, politics, environmental, education, transportation, crime, and other traditional issue oriented content. Sponsorships or branded integrations will be permitted in other content categories, including weather, sports, traffic, lifestyle, food and business. All branded content or sponsorships will be disclosed to the viewer. Without reprisal by News 12 or Altice, any on air staff member may opt out of participating in branded content or sponsorships, if such staff member feels such participation compromises his or her journalistic integrity.

13. News 12 employees may be dismissed only as allowed by Altice policies and practices observed in good faith. For the avoidance of doubt, no employee may be dismissed for reasons of age, to project “a fresh look,” or as a direct consequence of reporting a potential violation of the Settlement Agreement.

14. For two years from the execution and delivery of the Settlement Agreement, all News 12 employees’ duties will remain substantially as they were on September 30, 2018 ; and News 12 shall be managed so that each employee’s actual qualifications and work responsibilities shall be consistent with those duties (the “Two Year Clause”). While the Two Year Clause is in effect, employees who leave News 12 must be replaced with candidates of similar qualifications and be hired within the same salary grade.

15. After the Two Year Clause lapses, but prior to the expiration of the Term, any News 12 employee affected by a role elimination may apply for an open job position; and Altice shall use best efforts to provide such affected employee with new job training.

16. Compliance with the Settlement Agreement will be determined on a quarterly basis by KPMG (the “Auditor”). The initial compliance audit will cover the period ending December 31, 2019. Should any conflict of interest subsequently arise with KPMG that either Party in good faith finds objectionable, the Parties will utilize another mutually agreed nationally recognized accounting firm as Auditor of the Settlement Agreement. Should the Parties fail to agree on a replacement Auditor within 30 days of a good faith determination by either Party that KPMG should be replaced, KPMG may select the replacement Auditor. Altice USA will pay the costs of the Auditor.

17. If the Auditor finds Altice is in breach of any provision or provisions of the Settlement Agreement, Altice will have until the next quarterly audit to cure such breach. If the Auditor finds the breach is not cured by the time of the next quarterly audit, the contravened provision will be extended by six months beyond the original Term. However, if despite Altice’s best efforts, an “immaterial” breach remains in the view of the Auditor, Altice will have an additional two weeks to cure the breach or to provide a mutually acceptable plan for curing the breach. In that case, such immaterial breach will not trigger the additional six month extensions as outlined above.

18. Upon any continuing breach of the Settlement Agreement, the Parties may enforce the Settlement Agreement by taking action in the Delaware Chancery Court.

19. Within ten days of the date hereof, the Parties will mutually agree upon and release a joint statement regarding this Settlement Agreement and the dismissal of the Lawsuit.

20. Upon execution and delivery of the Settlement Agreement, the Parties will direct their respective counsel to cause the Lawsuit to be dismissed promptly with prejudice; and this Settlement Agreement shall be the full and complete agreement of the Parties with respect to the matters addressed herein, including the operation and content of News 12. The Parties further agree that specific enforcement of this Settlement Agreement and/or injunctive relief arising from this Settlement Agreement are the Parties sole and exclusive remedies with respect to the subject matter hereof, including, for purposes of clarification, any purported breach of Section 6.4(f) of the Merger Agreement.

21. This Settlement Agreement will be governed by and construed according to the laws of the State of Delaware. If any provision of this Settlement Agreement were to be held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Settlement Agreement will remain in full

force and effect. Each Party shall bear its own expenses in connection with this Settlement Agreement. This Settlement Agreement may be executed in counterparts.

22. The Parties represent and warrant that they have sufficient and complete authority to enter into this Settlement Agreement on behalf of the named parties to the Lawsuit on whose behalf they purport to act.

IN WITNESS WHEREOF, duly authorized representatives of the Parties have executed and delivered this Settlement Agreement as of the Effective Date.

Patrick F. Dolan, on behalf of all Dolan Family plaintiffs



Charles F. Stewart, on behalf of all Altice defendants