

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

**Form 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2022

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File No. 0-25969



**URBAN ONE, INC.**

*(Exact name of registrant as specified in its charter)*

**Delaware**  
*(State or other jurisdiction of incorporation or organization)*

**52-1166660**  
*(I.R.S. Employer Identification No.)*

**1010 Wayne Avenue,  
14th Floor  
Silver Spring, Maryland 20910**  
*(Address of principal executive offices)*

**Registrant's telephone number, including area code  
(301) 429-3200**

**Securities registered pursuant to Section 12(b) of the Act:**  
None

**Securities registered pursuant to Section 12(g) of the Act:**

<b>Title of each class:</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered:</b>
Class A Common Stock, \$0.001 Par Value	UONE	NASDAQ Stock Market
Class D Common Stock, \$0.001 Par Value	UONEK	NASDAQ Stock Market

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer   
Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes  No

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes  No

The number of shares outstanding of each of the issuer's classes of common stock is as follows:

<b>Class</b>	<b>Outstanding at May 19, 2023</b>
Class A Common Stock, \$0.001 par value	9,854,682
Class B Common Stock, \$0.001 par value	2,861,843
Class C Common Stock, \$0.001 par value	2,045,016
Class D Common Stock, \$0.001 par value	34,095,068

The aggregate market value of common stock held by non-affiliates of the Registrant, based upon the closing price of the Registrant's Class A and Class D common stock on June 30, 2022, was approximately \$95.0 million.

## EXPLANATORY NOTE

### Overview

Urban One, Inc. and its consolidated subsidiaries (“Urban One” or the “Company”) is filing this annual report on Form 10-K for the year ended December 31, 2022 (“Form 10-K”). This Form 10-K contains our audited financial statements for the year ended December 31, 2022, as well as restates certain financial information and related footnote disclosures in the Company’s previously issued consolidated financial statements as of December 31, 2021, as originally filed with the Securities and Exchange Commission (“SEC”) on March 15, 2022 (the “Original Filing”), and then amended and filed with the SEC on October 11, 2022 (the “Amended Filing”) and the interim periods ended March 31, June 30, and September 30, 2022 and 2021 (collectively, the “Affected Periods”). This Form 10-K also restates certain other Items in the Original and Amended Filings, as listed in “Items Restated in this Form 10-K” below.

### Restatement Background

As previously disclosed in the Current Report on Form 8-K filed with the SEC on April 7, 2023, the Audit Committee of the Board of Directors (the “Audit Committee”) of the Company concluded, after discussion with the Company’s management and independent registered public accounting firm, that the Company’s previously issued consolidated financial statements with respect to the Affected Periods should no longer be relied upon due to errors in such financial statements, and, therefore, a restatement of these specified financial statements is required. The Company does not intend to file further amendments to the previously filed Annual Report on Form 10-K and Quarterly Reports on Form 10-Q for the Affected Periods. Accordingly, investors should rely only on the financial information and other disclosures regarding the Affected Periods in this Form 10-K or in future filings with the SEC (as applicable), and not on any previously issued or filed reports, press releases, earnings releases and investor presentations or other communications describing the Company’s previously issued consolidated financial statements and other related financial information covering the Affected Periods.

In connection with the preparation of the consolidated financial statements, the Company re-evaluated its accounting for the valuation of its investment interest in MGM National Harbor (the “MGM Investment”) and determined that adjustments are required to its previously issued financial statements for the Affected Periods due to understatements in the value of the MGM Investment and related tax effects. In addition to the adjustment related to the MGM Investment, the Company included corrections for misstatements that were deemed immaterial to any period presented in our previously issued financial statements. These misstatements are related to radio broadcasting license impairment, right of use assets, fair value of the Reach Media redeemable noncontrolling interest, amortization of certain launch assets, misclassifications of certain balance sheet items, and any related tax effects. The Company also corrected certain line items within the statements of cash flows and certain disclosures relating to deferred tax assets and content assets for errors identified.

See Note 2 - *Restatement of Financial Statements* and Note 17 - *Quarterly Financial Data (Unaudited and Restated)* of our consolidated financial statements for more information related to the restatement, including descriptions of the misstatements and the impacts on the Company’s consolidated financial statements.

### Internal Control Considerations

The Company’s management has concluded that the Company had material weaknesses in its internal control over financial reporting during the Affected Periods relating to the errors described above. For a discussion of management’s considerations of the Company’s disclosures controls and procedures, internal control over financial reporting, and material weaknesses identified, refer to Part II, Item 9A, “Controls and Procedures.”

### Items Restated in this Form 10-K

The following items have been restated, as appropriate, to reflect the restatement:

- Part I, Item 1A. Risk Factors
  - Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations
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- Part II, Item 8. Financial Statements and Supplementary Data
- Part II, Item 9A. Controls and Procedures
- Part IV, Item 15. Exhibits and Financial Statement Schedules

In addition, as required by Rule 12b-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), new certifications by the Company's Chief Executive Officer and Chief Financial Officer are filed herewith as Exhibits 31.1, 31.2, 32.1 and 32.2 to this Form 10-K pursuant to Rule 13a-14(a) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350).

Except as described above, this Form 10-K does not amend, update or change any other disclosures in the Affected Periods' filings. This Form 10-K should be read in conjunction with the Company's other filings with the SEC.

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URBAN ONE, INC. AND SUBSIDIARIES

Form 10-K  
For the Year Ended December 31, 2022

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## CERTAIN DEFINITIONS

Unless otherwise noted, throughout this report, the terms “Urban One,” “the Company,” “we,” “our,” and “us” refer to Urban One, Inc. together with all of its subsidiaries.

We use the terms “local marketing agreement” (“LMA”) or time brokerage agreement (“TBA”) in various places in this report. An LMA or a TBA is an agreement under which a Federal Communications Commission (“FCC”) licensee of a radio station makes available, for a fee, airtime on its station to another party. The other party provides programming to be broadcast during the airtime and collects revenues from advertising it sells for broadcast during that programming. In addition to entering into LMAs or TBAs, we will, from time to time, enter into management or consulting agreements that provide us with the ability, as contractually specified, to assist current owners in the management of radio station assets that we have contracted to purchase, subject to FCC approval. In such arrangements, we generally receive a contractually specified management fee or consulting fee in exchange for the services provided.

The term “broadcast and digital operating income” is used throughout this report. Net income (loss) before depreciation and amortization, income taxes, interest expense, interest income, noncontrolling interests in income of subsidiaries, other (income) expense, corporate selling, general and administrative, expenses, stock-based compensation, impairment of long-lived assets and (gain) loss on retirement of debt, is commonly referred to in the radio broadcasting industry as “station operating income.” However, given the diverse nature of our business, station operating income is not truly reflective of our multi-media operation and, therefore, we use the term broadcast and digital operating income. Broadcast and digital operating income is not a measure of financial performance under accounting principles generally accepted in the United States (“GAAP”). Nevertheless, broadcast and digital operating income is a significant basis used by our management to evaluate the operating performance of our core operating segments. Broadcast and digital operating income provides helpful information about our results of operations, apart from expenses associated with our fixed and long-lived intangible assets, income taxes, investments, impairment charges, debt financings and retirements, corporate overhead and stock-based compensation. Our measure of broadcast and digital operating income is similar to our historic use of station operating income; however, it reflects our more diverse business, and therefore, may not be similar to “station operating income” or other similarly titled measures as used by other companies. Broadcast and digital operating income does not represent operating income or loss, or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as an alternative to those measurements as an indicator of our performance.

Unless otherwise indicated:

- we obtained total radio industry revenue levels from the Radio Advertising Bureau (the “RAB”);
- we obtained audience share and ranking information from Nielsen Audio, Inc. (“Nielsen”); and
- we derived historical market statistics and market revenue share percentages from data published by Miller, Kaplan, Arase & Co., LLP (“Miller Kaplan”), a public accounting firm that specializes in serving the broadcasting industry and BIA/Kelsey (“BIA”), a media and telecommunications advisory services firm.

### Cautionary Note Regarding Forward-Looking Statements

Our disclosure and analysis in this annual report on Form 10-K concerning our operations, cash flows and financial position, contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements do not relay historical facts, but rather reflect our current expectations concerning future operations, results and events. All statements other than statements of historical fact are “forward-looking statements” including any projections of earnings, revenues or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new activities, services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. You can identify some of these forward-looking statements by our use of words such as “anticipates,” “expects,” “intends,” “plans,” “believes,” “seeks,” “likely,” “may,” “estimates” and similar expressions. You can also identify a forward-looking statement in that such statements discuss matters in a way that anticipates operations, results or events that have not already occurred but rather will or may occur in future periods. We cannot guarantee that we will achieve any forward-looking plans, intentions, results, operations or expectations. Because these statements apply to future events, they are subject to risks and uncertainties, some of which are beyond our control that could cause actual results to differ materially from those forecasted or anticipated in the forward-looking statements. These risks, uncertainties and factors include (in no particular order), but are not limited to:

- public health crises, epidemics and pandemics such as COVID-19 and other future pandemics and their impact on our business and the businesses of our advertisers, including disruptions and inefficiencies in the supply chain;
- the extent of the impact of the COVID-19 pandemic (particularly in our largest markets, Atlanta; Baltimore; Charlotte; Dallas; Houston; Indianapolis; and Washington, DC), including the duration, spread, severity, and the impact of any variants, the duration and scope of any related government orders and restrictions, the impact on our employees, and the extent of the impact of the COVID-19 pandemic on overall demand for advertising across our various media;
- recession, economic volatility, financial market unpredictability and fluctuations in the United States and other world economies that may affect our business and financial condition, and the business and financial conditions of our advertisers;
- our high degree of leverage, certain cash commitments related thereto and potential inability to finance strategic transactions given fluctuations in market conditions;
- fluctuations in the local economies of the markets in which we operate (particularly our largest markets, Atlanta; Baltimore; Charlotte; Dallas; Houston; Indianapolis; and Washington, DC) could negatively impact our ability to meet our cash needs;
- risks associated with the implementation and execution of our business diversification strategy, including our strategic actions with respect to expansion into gaming;
- risks associated with our investments or potential investment in gaming businesses that are managed or operated by persons not affiliated with us and over which we have little or no control;
- regulation by the FCC relative to maintaining our broadcasting licenses, enacting media ownership rules and enforcing of indecency rules;
- regulation by certain gaming commissions relative to maintaining our interests, or our creditors' ability to foreclose on collateral that includes our interests in, any gaming licenses, joint ventures or other gaming and casino investments;

- changes in our key personnel and on-air talent;
- increases in competition for and in the costs of our programming and content, including on-air talent and content production or acquisitions costs;
- financial losses that may be incurred due to impairment charges against our broadcasting licenses, goodwill, and other intangible assets;
- increased competition for advertising revenues with other radio stations, broadcast and cable television, newspapers and magazines, outdoor advertising, direct mail, internet radio, satellite radio, smart phones, tablets, and other wireless media, the internet, social media, and other forms of advertising;
- the impact of our acquisitions, dispositions and similar transactions, as well as consolidation in industries in which we and our advertisers operate;
- developments and/or changes in laws and regulations, such as the California Consumer Privacy Act or other similar federal or state regulation through legislative action and revised rules and standards;
- disruptions to our technology network including computer systems and software, whether by man-made or other disruptions of our operating systems, structures or equipment, including as we further develop alternative work arrangements, as well as natural events such as pandemic, severe weather, fires, floods and earthquakes;
- material weaknesses identified in our internal control over financial reporting which could, if not remediated, result in material misstatements in our consolidated financial statements; and
- other factors mentioned in our filings with the Securities and Exchange Commission ("SEC") including the factors discussed in detail in Item 1A, "Risk Factors," contained in this report.

You should not place undue reliance on these forward-looking statements, which reflect our views based only on information currently available to us as of the date of this report. We undertake no obligation to publicly update or revise any forward-looking statements because of new information, future events, or otherwise.

## PART I

### ITEM 1. BUSINESS

#### Overview

Urban One, Inc. (a Delaware corporation originally formed in 1980 and hereinafter referred to as “Urban One”) and its subsidiaries (collectively, the “Company”) is an urban-oriented, multi-media company that primarily targets African-American and urban consumers. Our core business is our radio broadcasting franchise which is the largest radio broadcasting operation that primarily targets African-American and urban listeners. As of December 31, 2022, we owned and/or operated 66 independently formatted, revenue producing broadcast stations (including 55 FM or AM stations, 9 HD stations, and the 2 low power television stations we operate), located in 13 of the most populous African-American markets in the United States. While a core source of our revenue has historically been and remains the sale of local and national advertising for broadcast on our radio stations, our strategy is to operate the premier multi-media entertainment and information content platform targeting African-American and urban consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our diverse media and entertainment interests include TV One, LLC (“TV One”), which operates two cable television networks targeting African-American and urban viewers, TV One and CLEO TV; our 80.0% ownership interest in Reach Media, Inc. (“Reach Media”), which operates the Rickey Smiley Morning Show and our other syndicated programming assets, including the Get Up! Mornings with Erica Campbell Show, Russ Parr Morning Show and the DL Hughley Show; and Interactive One, LLC (“Interactive One”), our wholly owned digital platform serving the African-American community through social content, news, information, and entertainment websites, including its iONE Digital, Cassius and Bossip, HipHopWired and MadameNoire digital platforms and brands. We also held a minority ownership interest in MGM National Harbor Casino, a gaming resort located in Prince George’s County, Maryland. Through our national multi-media operations, we provide advertisers with a unique and powerful delivery mechanism to communicated with African-American and urban audiences.

Our core radio broadcasting franchise operates under the brand “Radio One.” We also operate other media brands, such as TV One, CLEO TV, Reach Media, iONE Digital, and One Solution, while developing additional branding reflective of our diverse media operations and our targeting of African-American and urban audiences.

#### Recent Developments

On June 13, 2022, the Company entered into a definitive asset purchase agreement with Emmis Communications (“Emmis”) to purchase its Indianapolis Radio Cluster to expand the Company’s market share. The deal was subject to FCC approval and other customary closing conditions and, after obtaining the approvals, closed on August 31, 2022. Urban One acquired radio stations WYXB (B105.7FM), WLHK (97.1FM), WIBC (93.1FM), translators W228CX and W298BB (The Fan 93.5FM and 107.5FM), and Network Indiana for \$25 million. As part of the transaction, the Company disposed of its former WHHH radio broadcasting license along with the intellectual property related to WNOW (there was a call letter change from WHHH to WNOW immediately prior to the close) to a third party for approximately \$3.2 million. The fair value of the assets disposed of approximated the carrying value of the assets.

#### Segments

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company’s four reportable segments: (i) radio broadcasting; (ii) cable television; (iii) Reach Media; and (iv) digital. Business activities unrelated to these four segments are included in an “all other” category which the Company refers to as “All Other - Corporate/Eliminations.”

#### Our Radio Station Portfolio, Strategy and Markets

As noted above, our core business is our radio broadcasting franchise which is the largest radio broadcasting operation in the country primarily targeting African-American and urban listeners. Within the markets in which we operate, we strive to build clusters of radio stations with each radio station targeting different demographic segments of the African-American population. This clustering and programming segmentation strategy allows us to achieve greater penetration within the



distinct segments of our overall target market. In addition, we have been able to achieve operating efficiencies by consolidating office and studio space where possible to minimize duplicative management positions and reduce overhead expenses. Depending on market conditions, changes in ratings methodologies and economic and demographic shifts, from time to time, we may reprogram some of our stations in underperforming segments of certain markets.

As of December 31, 2022, we owned and/or operated 66 independently formatted, revenue producing broadcast stations (including 55 FM or AM stations, 9 HD stations, and the 2 low power television stations we operate but excluding translators) located in 13 of the most populous African-American markets in the United States. The following tables set forth further selected information about our portfolio of radio stations that we owned and/or operated as of December 31, 2022.

Market	Urban One				Entire Audience Four Book Average Audience Share(1)	Ranking by Size of African-American Population Persons 12+(2)	Market Data	
	Number of Stations*						Estimated Fall 2022 Metro Population Persons 12+	African-American %
	FM	AM	HD	LP/TV**				
Atlanta	4		1		13.0	2	5.2	36
Washington, DC	4	2			9.8	3	5.1	27
Dallas	2				3.8	5	6.6	18
Houston	3				10.1	6	6.2	18
Philadelphia	2		2		3.7	7	4.7	20
Baltimore	2	2	1		13.3	11	2.4	30
Charlotte	5	1	1		18.1	12	2.5	23
Raleigh-Durham	4				15.3	19	1.8	21
Cleveland	2	2	1		13.5	21	1.8	20
Richmond	4	2			18.2	25	1.1	29
Columbus	5			1	6.7	26	1.8	18
Indianapolis	5	1	2	1	35.1	30	1.7	17
Cincinnati	2	1	1		5.9	34	1.9	13
<b>Total</b>	<b>44</b>	<b>11</b>	<b>9</b>	<b>2</b>				

(1) Audience share data are for the 12+ demographic and derived from the Nielsen Survey ending with the Fall 2022 Nielsen Survey.

(2) Population estimates are from the Nielsen Radio Market Survey Population, Rankings and Information, Fall 2022.

\* 20 non-independently formatted HD stations and 14 non-independently formatted translators owned and operated by the Company are not included in the above station count. Changes in the programming of our HD stations or translators may alter our station count from time to time.

\*\* Low power television station

Market	Market Rank Metro Population 2022	Format	Target Demo
<b>Atlanta</b>	<b>7</b>		
WAMJ/WUMJ		Urban AC	25-54
WHTA		Urban Contemporary	18-34
WPZE		Contemporary Inspirational	25-54
WAMJ-HD-2		Urban Contemporary	25-54
<b>Baltimore</b>	<b>23</b>		
WERQ		Urban Contemporary	18-34
WOLB		News/Talk	35-64

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WWIN-FM	Urban AC	25-54
WWIN-AM	Gospel	35-64
WLIF-HD-2	Contemporary Inspirational	25-54
<b>Charlotte</b> 21		
WPZS	Contemporary Inspirational	25-54
WOSF	Urban AC / Old School	25-54
WOSF-HD2	Urban Contemporary	18-34
WBT-AM	News Talk	25-54
WBT-FM	News Talk	25-54
WFNZ	Sports Talk	25-54
WLNK	Hot Adult Contemporary	25-54
<b>Cincinnati</b> 33		
WIZF	Urban Contemporary	18-34
WOSL	Urban AC / Old School	25-54
WDBZ-AM	Talk	35-64
WIZF-HD3	Hispanic	25-54
<b>Cleveland</b> 35		
WENZ	Urban Contemporary	18-34
WERE-AM	News/Talk	35-64
WJMO-AM	Contemporary Inspirational	35-64
WZAK	Urban AC	25-54
WENZ-HD-2	Contemporary Inspirational	35-64
<b>Columbus</b> 36		
WCKX	Urban Contemporary	18-34
WXMG	Urban AC	25-54
WHTD	Urban Contemporary	18-34
WJYD	Contemporary Inspirational	25-54
WWLG	Hispanic	25-54
WQMC-TV	Television	25-54
<b>Dallas</b> 5		
KBFB	Urban Contemporary	18-34
KZJM	Urban Contemporary	25-54
<b>Houston</b> 6		
KBXX	Urban Contemporary	18-34
KMJQ	Urban AC	25-54
KROI	Contemporary Inspirational	18-34
<b>Indianapolis</b> 38		
WTLC-FM	Urban AC	25-54
WHHH	Urban Contemporary	18-34
WTLC-AM	Contemporary Inspirational	35-64

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WIBC	News Talk	25-54
WHHH-HD2, HD3	Regional Mexican	25-54
WLHK	Country	25-54
WIBC-HD2	Sports Talk	25-54
WYXB	Adult Contemporary	25-54
WDNI-TV	Television	25-54
<b>Philadelphia</b>	<b>9</b>	
WPPZ	Adult Contemporary	25-54
WRNB	Mainstream Urban	25-54
WPPZ-HD2	Contemporary Inspirational	25-54
WRNB-HD2	Urban AC	25-54
<b>Raleigh</b>	<b>37</b>	
WFXC/WFXK	Urban AC	25-54
WQOK	Urban Contemporary	18-34
WNNL	Contemporary Inspirational	25-54
<b>Richmond</b>	<b>53</b>	
WKJS/WKJM	Urban AC	25-54
WCDX	Urban Contemporary	18-34
WPZZ	Contemporary Inspirational	25-54
WXGI-AM/WTPS-AM	Classic Hip Hop	25-54
<b>Washington DC</b>	<b>8</b>	
WKYS	Urban Contemporary	18-34
WMMJ/WDCJ	Urban AC	25-54
WPRS	Contemporary Inspirational	25-54
WOL-AM	News/Talk	35-64
WYCB-AM	Gospel	35-64

AC-refers to Adult Contemporary

CHR-refers to Contemporary Hit Radio

Pop-refers to Popular Music

Old School - refers to Old School Hip/Hop

For the year ended December 31, 2022, approximately 32.3% of our net revenue was generated from the sale of advertising in our core radio business, excluding Reach Media. We consider our radio broadcasting segment to be our core radio business. Within our core radio business, seven (Atlanta, Baltimore, Charlotte, Dallas, Houston, Indianapolis, and Washington, DC) of the 13 markets in which we operated radio stations throughout 2022 or a portion thereof accounted for approximately 73.8% of our radio station net revenue for the year ended December 31, 2022. Revenue from the operations of Reach Media, along with revenue from the seven significant contributing radio markets, accounted for approximately 32.5% of our total consolidated net revenue for the year ended December 31, 2022. Adverse events or conditions (economic, including government cutbacks or otherwise) could lead to declines in the contribution of Reach Media or declines in one or more of the seven significant contributing radio markets, which could have a material adverse effect on our overall financial performance and results of operations.

## **Radio Advertising Revenue**

Substantially all net revenue generated from our radio franchise is generated from the sale of local, national and network advertising. Local sales are made by the sales staff located in our markets. National sales are made primarily by Katz Communications, Inc. (“Katz”), a firm specializing in radio advertising sales on the national level. Katz is paid agency commissions on the advertising sold. Approximately 57.3% of our net revenue from our core radio business for the year ended December 31, 2022, was generated from the sale of local advertising and 38.8% from sales to national advertisers, including network/syndication advertising. The balance of net revenue from our radio segment is primarily derived from ticket sales, and revenue related to sponsored events, management fees and other alternative revenue.

Advertising rates charged by radio stations are based primarily on:

- a radio station’s audience share within the demographic groups targeted by the advertisers;
- the number of radio stations in the market competing for the same demographic groups; and
- the supply and demand for radio advertising time.

A radio station’s listenership is measured by the Portable People Meter™ (the “PPM™”) system or diary ratings surveys, both of which estimate the number of listeners tuned to a radio station and the time they spend listening to that radio station. Ratings are used by advertisers to evaluate whether to advertise on our radio stations, and are used by us to chart audience size, set advertising rates and adjust programming. Advertising rates are generally highest during the morning and afternoon commuting hours.

## **Cable Television, Reach Media and Digital Segments, Strategy and Sources of Revenue and Income**

We have expanded our operations to include other media forms that are complementary to our radio business. In a strategy similar to our radio market segmentation, we have multiple complementary media and online brands. Each of these brands focuses on a different segment of African-American consumers. With our multiple brands, we are able to direct advertisers to specific audiences within the urban communities in which we are located, or to bundle the brands for advertising sales purposes when advantageous.

TV One, our primary cable television franchise targeting the African-American and urban communities, derives its revenue from advertising and affiliate revenue. Advertising revenue is derived from the sale of television airtime to advertisers and is recognized when the advertisements are run. TV One also derives revenue from affiliate fees under the terms of various affiliation agreements generally based upon a per subscriber royalty for the right to distribute the Company’s programming under the terms of the distribution contracts. Our other cable television franchise, CLEO TV, is a lifestyle and entertainment network targeting Millennial and Gen X women of color that is also operated by TV One, LLC. CLEO TV derives its revenue principally from advertising.

Reach Media, our syndicated radio unit, primarily derives its revenue from the sale of advertising in connection with its syndicated radio shows, including the Rickey Smiley Morning Show, Get Up! Mornings with Erica Campbell, the Russ Parr Morning Show, and the DL Hughley Show. In addition to being broadcast on 48 Urban One stations, our syndicated radio programming also was available on 215 non-Urban One stations throughout the United States as of December 31, 2022.

We have launched websites that simultaneously stream radio station content for each of our radio stations, and we derive revenue from the sale of advertisements on those websites. We generally encourage our web advertisers to run simultaneous radio campaigns and use mentions in our radio airtime to promote our websites. By providing streaming, we have been able to broaden our listener reach, particularly to “office hour” listeners, including at home “office hour” listeners. We believe streaming has had a positive impact on our radio stations’ reach to listeners. In addition, our station websites link to our other online properties operated by our primary digital unit, Interactive One. Interactive One operates the largest social networking site primarily targeting African-Americans and other branded websites, including Bossip,

HipHopWired and MadameNoire. Interactive One derives revenue from advertising services on non-radio station branded websites, and studio services where Interactive One provides services to other publishers. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized as impressions (the number of times advertisements appear in viewed pages) are delivered.

Finally, our MGM National Harbor investment entitled us to an annual cash distribution based on net gaming revenue from gaming activities conducted on the site of the facility. In March 2023, the Company exercised the put option available to it and received approximately \$136.8 million at the time of settlement of the put option in April 2023. Please refer to Note 18 – *Subsequent Events* of our consolidated financial statements for further details. Future opportunities could include investments in, acquisitions of, or the development of companies in diverse media businesses, gaming and entertainment, music production and distribution, movie distribution, internet-based services, and distribution of our content through emerging distribution systems such as the Internet, smartphones, cellular phones, tablets, and the home entertainment market.

## **Competition**

The media industry is highly competitive and we face intense competition across our core radio franchise and all of our complementary media properties. Our media properties compete for audiences and advertising revenue with other radio stations and with other media such as broadcast and cable television, the Internet, satellite radio, newspapers, magazines, direct mail and outdoor advertising, some of which may be owned or controlled by horizontally-integrated companies. Audience ratings and advertising revenue are subject to change and any adverse change in a market could adversely affect our net revenue in that market. If a competing radio station converts to a format similar to that of one of our radio stations, or if one of our competitors strengthens its signal or operations, our stations could suffer a reduction in ratings and advertising revenue. Other media companies which are larger and have more resources may also enter or increase their presence in markets or segments in which we operate. Although we believe our media properties are well positioned to compete, we cannot assure you that our properties will maintain or increase their current ratings, market share or advertising revenue.

Providing content across various platforms is a highly competitive business. Our digital and cable television segments compete for the time and attention of internet users and viewers and, thus, advertisers and advertising revenues with a wide range of internet companies such as Amazon™, Netflix™, Yahoo!™, Google™, and Microsoft™, with social networking sites such as Facebook™ and TikTok™ and with traditional media companies, which are increasingly offering their own digital products and services both organically and through acquisition. We experience competition for the development and acquisition of content, distribution of content, sale of commercial time on our digital and cable television networks and viewership. There is competition from other digital companies, production studios and other television networks for the acquisition of content and creative talent such as writers, producers and directors. Our ability to produce and acquire popular content is an important competitive factor for the distribution of our content, attracting viewers and the sale of advertising. Our success in securing popular content and creative talent depends on various factors such as the number of competitors providing content that targets the same genre and audience, the distribution of our content, viewership, and the production, marketing and advertising support we provide.

Our TV One and CLEO TV cable television networks compete with other networks and platforms for the acquisition and distribution of content and for fees charged to cable television operators, DTH satellite service providers, and other distributors that carry our content. Our ability to secure distribution agreements is necessary to ensure the retention of our audiences. Our contractual agreements with distributors are renewed or renegotiated from time to time in the ordinary course of business. Growth in the number of networks distributed, consolidation and other market conditions in the cable and satellite distribution industry, and increased popularity of other platforms may adversely affect our ability to obtain and maintain contractual terms for the distribution of our content that are as favorable as those currently in place. The ability to secure distribution agreements is dependent upon the production, acquisition and packaging of original content, viewership, the marketing and advertising support and incentives provided to distributors, the product offering across a series of networks within a region, and the prices charged for carriage.

Our networks and digital products compete with other television networks, including broadcast, cable, local networks and other content distribution outlets for their target audiences and the sale of advertising. Our success in selling advertising

is a function of the size and demographics of our audiences, quantitative and qualitative characteristics of the audience of each network, the perceived quality of the network and of the particular content, the brand appeal of the network and ratings/algorithms as determined by third-party research companies or search engines, prices charged for advertising and overall advertiser demand in the marketplace.

#### **Federal Antitrust Laws**

The agencies responsible for enforcing the federal antitrust laws, the Federal Trade Commission or the Department of Justice, may investigate certain acquisitions. We cannot predict the outcome of any specific FTC or Department of Justice investigation. Any decision by the FTC or the Department of Justice to challenge a proposed acquisition could affect our ability to consummate the acquisition or to consummate it on the proposed terms. For an acquisition meeting certain size thresholds, the Hart-Scott-Rodino Antitrust Improvements Act of 1976 requires the parties to file Notification and Report Forms concerning antitrust issues with the FTC and the Department of Justice and to observe specified waiting period requirements before consummating the acquisition.

#### **Federal Regulation of Radio Broadcasting**

The radio broadcasting industry is subject to extensive and changing regulation by the FCC and other federal agencies of ownership, programming, technical operations, employment and other business practices. The FCC regulates radio broadcast stations pursuant to the Communications Act of 1934, as amended (the "Communications Act"). The Communications Act permits the operation of radio broadcast stations only in accordance with a license issued by the FCC upon a finding that the grant of a license would serve the public interest, convenience and necessity. Among other things, the FCC:

- assigns frequency bands for radio broadcasting;
- determines the particular frequencies, locations, operating power, interference standards, and other technical parameters for radio broadcast stations;
- issues, renews, revokes and modifies radio broadcast station licenses;
- imposes annual regulatory fees and application processing fees to recover its administrative costs;
- establishes technical requirements for certain transmitting equipment to restrict harmful emissions;
- adopts and implements regulations and policies that affect the ownership, operation, program content, employment, and business practices of radio broadcast stations; and
- has the power to impose penalties, including monetary forfeitures, for violations of its rules and the Communications Act.

The Communications Act prohibits the assignment of an FCC license, or the transfer of control of an FCC licensee, without the prior approval of the FCC. In determining whether to grant or renew a radio broadcast license or consent to the assignment or transfer of control of a license, the FCC considers a number of factors, including restrictions on foreign ownership, compliance with FCC media ownership limits and other FCC rules, the character and other qualifications of the licensee (or proposed licensee) and compliance with the Anti-Drug Abuse Act of 1988. A licensee's failure to comply with the requirements of the Communications Act or FCC rules and policies may result in the imposition of sanctions, including admonishment, fines, the grant of a license renewal for less than a full eight-year term or with conditions, denial of a license renewal application, the revocation of an FCC license, and/or the denial of FCC consent to acquire additional broadcast properties.

Congress, the FCC and, in some cases, other federal agencies and local jurisdictions are considering or may in the future consider and adopt new laws, regulations and policies that could affect the operation, ownership and profitability of

our radio stations, result in the loss of audience share and advertising revenue for our radio broadcast stations or affect our ability to acquire additional radio broadcast stations or finance such acquisitions. Such matters include or may include:

- changes to the license authorization and renewal process;
- proposals to increase record keeping, including enhanced disclosure of stations' efforts to serve the public interest;
- proposals to impose spectrum use or other fees on FCC licensees;
- changes to rules relating to political broadcasting, including proposals to grant free airtime to candidates, and other changes regarding political and non-political program content, political advertising rates and sponsorship disclosures;
- revised rules and policies regarding the regulation of the broadcast of indecent content;
- proposals to increase the actions stations must take to demonstrate service to their local communities;
- technical and frequency allocation matters;
- changes in broadcast multiple ownership, foreign ownership, cross-ownership and ownership attribution rules and policies;
- service and technical rules for digital radio, including possible additional public interest requirements for terrestrial digital audio broadcasters;
- legislation that would provide for the payment of sound recording royalties to artists, musicians or record companies whose music is played on terrestrial radio stations; and
- changes to tax laws affecting broadcast operations and acquisitions.

The FCC also has adopted procedures for the auction of broadcast spectrum in circumstances where two or more parties have filed mutually exclusive applications for authority to construct new stations or certain major changes in existing stations. Such procedures may limit our efforts to modify or expand the broadcast signals of our stations.

We cannot predict what changes, if any, might be adopted or considered in the future, or what impact, if any, the implementation of any particular proposals or changes might have on our business.

*FCC License Grants and Renewals*. In making licensing determinations, the FCC considers an applicant's legal, technical, character and other qualifications. The FCC grants radio broadcast station licenses for specific periods of time and, upon application, may renew them for additional terms. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application is pending. Under the Communications Act, radio broadcast station licenses may be granted for a maximum term of eight years.

Generally, the FCC renews radio broadcast licenses without a hearing upon a finding that:

- the radio station has served the public interest, convenience and necessity;
- there have been no serious violations by the licensee of the Communications Act or FCC rules and regulations; and

- there have been no other violations by the licensee of the Communications Act or FCC rules and regulations which, taken together, indicate a pattern of abuse.

After considering these factors and any petitions to deny or informal objections against a license renewal application (which may lead to a hearing), the FCC may grant the license renewal application with or without conditions, including renewal for a term less than the maximum otherwise permitted. Historically, our licenses have been renewed for full eight-year terms without any conditions or sanctions; however, there can be no assurance that the licenses of each of our stations will be renewed for a full term without conditions or sanctions.

*Types of FCC Broadcast Licenses.* The FCC classifies each AM and FM radio station. An AM radio station operates on either a clear channel, regional channel or local channel. A clear channel serves wide areas, particularly at night. A regional channel serves primarily a principal population center and the contiguous rural areas. A local channel serves primarily a community and the suburban and rural areas immediately contiguous to it. AM radio stations are designated as Class A, Class B, Class C or Class D. Class A, B and C stations each operate unlimited time. Class A radio stations render primary and secondary service over an extended area. Class B stations render service only over a primary service area. Class C stations render service only over a primary service area that may be reduced as a consequence of interference. Class D stations operate either during daytime hours only, during limited times only, or unlimited time with low nighttime power.

FM class designations depend upon the geographic zone in which the transmitter of the FM radio station is located. The minimum and maximum facilities requirements for an FM radio station are determined by its class. In general, commercial FM radio stations are classified as follows, in order of increasing power and antenna height: Class A, B1, C3, B, C2, C1, C0 and C. The FCC has adopted a rule subjecting Class C FM stations that do not satisfy a certain antenna height requirement to an involuntary downgrade in class to Class C0 under certain circumstances.

*Urban One's Licenses.* The following table sets forth information with respect to each of our radio stations for which we held the license as of December 31, 2022. Stations which we did not own as of December 31, 2022, but operated under an LMA, are not reflected on this table. A broadcast station's market may be different from its community of license. The coverage of an AM radio station is chiefly a function of the power of the radio station's transmitter, less dissipative power losses and any directional antenna adjustments. For FM radio stations, signal coverage area is chiefly a function of the radio station's ERP and the HAAT of the radio station's antenna. "ERP" refers to the effective radiated power of an FM



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radio station. "HAAT" refers to the antenna height above average terrain of an FM radio station antenna. The table below excludes HD radio and LPTV stations.

Market	Station Call Letters	Year of Acquisition	FCC Class	ERP (FM) Power (AM) in Kilowatts	Antenna Height (AM) HAAT in Meters	Operating Frequency	Expiration Date of FCC License
Atlanta	WUMJ-FM	1999	C3	8.5	165.0	97.5 MHz	4/1/2028
	WAMJ-FM	1999	C2	33.0	185.0	107.5 MHz	4/1/2028
	WHTA-FM	2002	C2	35.0	177.0	107.9 MHz	4/1/2028
	WPZE-FM	1999	A	3.0	143.0	102.5 MHz	4/1/2028
Washington, DC	WOL-AM	1980	C	0.4	N/A	1450 kHz	10/1/2027
	WMNJ-FM	1987	A	2.9	146.0	102.3 MHz	10/1/2027
	WKYS-FM	1995	B	24.5	215.0	93.9 MHz	10/1/2027
	WPRS-FM	2008	B	20.0	244.0	104.1 MHz	10/1/2027
	WYCB-AM	1998	C	1.0	N/A	1340 kHz	10/1/2027
	WDCJ-FM	2017	A	2.2	169.0	92.7 MHz	10/1/2027
Philadelphia	WRNB-FM	2000	B	17.0	263.0	100.3 MHz	8/1/2030
	WPPZ-FM	2004	A	0.8	276.0	107.9 MHz	6/1/2030
Houston	KMJQ-FM	2000	C	100.0	524.0	102.1 MHz	8/1/2029
	KBXX-FM	2000	C	100.0	585.0	97.9 MHz	8/1/2029
	KROI-FM	2004	C1	40.0	421.0	92.1 MHz	8/1/2029
Dallas	KFBF-FM	2000	C	100.0	574.0	97.9 MHz	8/1/2029
	KZMJ-FM	2001	C	100.0	591.0	94.5 MHz	8/1/2029
Baltimore	WWIN-AM	1992	C	0.5	N/A	1400 kHz	10/1/2027
	WWIN-FM	1992	A	3.0	91.0	95.9 MHz	10/1/2027
	WOLB-AM	1993	D	0.3	N/A	1010 kHz	10/1/2027
	WERQ-FM	1993	B	37.0	173.0	92.3 MHz	10/1/2027
Charlotte	WFNZ-FM	2000	C3	10.5	154.0	92.7 MHz	12/1/2027
	WPZS-FM	2004	A	6.0	94.0	100.9 MHz	12/1/2027
	WOSF-FM	2014	C1	51.0	395.0	105.3 MHz	12/1/2027
	WBT-FM	2021	C3	7.7	182.2	99.3 MHz	12/1/2027
	WBT-AM	2021	A	50.0	N/A	1110 MHz	12/1/2027
	WFNZ-AM	2021	B	5.0	N/A	610 MHz	12/1/2027
	WLNK-FM	2021	C	100.0	516.0	107.9 MHz	12/1/2027
Cleveland	WJMO-AM	1999	B	5.0	N/A	1300 kHz	10/1/2028
	WENZ-FM	1999	B	16.0	272.0	107.9 MHz	10/1/2028
	WZAK-FM	2000	B	27.5	189.0	93.1 MHz	10/1/2028
	WERE-AM	2000	C	1.0	N/A	1490 kHz	10/1/2028
Raleigh-Durham	WQOK-FM	2000	C2	50.0	146.0	97.5 MHz	12/1/2027
	WFKK-FM	2000	C1	100.0	299.0	104.3 MHz	12/1/2027
	WFXC-FM	2000	C3	13.0	141.0	107.1 MHz	12/1/2027
	WNNL-FM	2000	C3	7.9	176.0	103.9 MHz	12/1/2027
Richmond	WPZZ-FM	1999	C1	100.0	299.0	104.7 MHz	10/1/2027
	WCDX-FM	2001	B1	4.5	235.0	92.1 MHz	10/1/2027
	WKJM-FM	2001	A	6.0	100.0	99.3 MHz	10/1/2027
	WKJS-FM	2001	A	2.3	162.0	105.7 MHz	10/1/2027
	WTPS-AM	2001	C	1.0	N/A	1240 kHz	10/1/2027
	WXGI-AM	2017	D	3.9	N/A	950 kHz	10/1/2027
Columbus	WCKX-FM	2001	A	1.9	126.0	107.5 MHz	10/1/2028
	WHTD-FM	2001	A	6.0	99.0	106.3 MHz	10/1/2028
	WXMG-FM	2016	B	21.0	232.0	95.5 MHz	10/1/2028
	WJYD-FM	2016	A	6.0	100.0	107.1 MHz	10/1/2028
Indianapolis	WTLC-FM	2000	A	6.0	99.0	106.7 MHz	8/1/2028
	WHHH-FM	2000	A	6.0	100.0	100.9 MHz	8/1/2028
	WTLC-AM	2001	B	5.0	N/A	1310 kHz	8/1/2028
	WIBC-FM	2022	B	13.5	302.0	93.1 MHz	8/1/2028
	WYXB-FM	2022	B	50.0	150.0	105.7 MHz	8/1/2028
	WLHK-FM	2022	B	23.0	223.0	97.1 MHz	8/1/2028
Cincinnati	WIZF-FM	2001	A	2.5	155.0	101.1 MHz	8/1/2028
	WDBZ-AM	2007	C	1.0	N/A	1230 kHz	10/1/2028
	WOSL-FM	2006	A	3.1	141.0	100.3 MHz	10/1/2028

To obtain the FCC's prior consent to assign or transfer control of a broadcast license, an appropriate application must be filed with the FCC. If the assignment or transfer involves a substantial change in ownership or control of the licensee, for example, the transfer of more than 50% of the voting stock, the applicant must give public notice and the application is subject to a 30-day period for public comment. During this time, interested parties may file petitions with the FCC to deny the application. Informal objections may be filed at any time until the FCC acts upon the application. If the FCC grants an assignment or transfer application, administrative procedures provide for petitions seeking reconsideration or full FCC review of the grant. The Communications Act also permits the appeal of a contested grant to a federal court.

Under the Communications Act, a broadcast license may not be granted to or held by any person who is not a U.S. citizen or by any entity that has more than 20% of its capital stock owned or voted by non-U.S. citizens or entities or their representatives, or by foreign governments or their representatives. The Communications Act prohibits more than 25% indirect foreign ownership or control of a licensee through a parent company if the FCC determines the public interest will be served by such prohibition. The FCC has interpreted this provision of the Communications Act to require an affirmative public interest finding before this 25% limit may be exceeded. Since we serve as a holding company for subsidiaries that serve as licensees for our stations, we are effectively restricted from having more than one-fourth of our stock owned or voted directly or indirectly by non-U.S. citizens or their representatives, foreign governments, representatives of foreign governments, or foreign business entities unless we seek and obtain FCC authority to exceed that level. The FCC will entertain and authorize, on a case-by-case basis and upon a sufficient public interest showing and favorable executive branch review, proposals to exceed the 25% indirect foreign ownership limit in broadcast licensees.

The FCC applies its media ownership limits to "attributable" interests. The interests of officers, directors and those who directly or indirectly hold five percent or more of the total outstanding voting stock of a corporation that holds a broadcast license (or a corporate parent) are generally deemed attributable interests, as are any limited partnership or limited liability company interests that are not properly "insulated" from management activities. Certain passive investors that hold stock for investment purposes only are deemed attributable with the ownership of 20% or more of the voting stock of a licensee or parent corporation. An entity with one or more radio stations in a market that enters into a local marketing agreement or a time brokerage agreement with another radio station in the same market obtains an attributable interest in the brokered radio station if the brokering station supplies programming for more than 15% of the brokered radio station's weekly broadcast hours. Similarly, a radio station owner's right under a joint sales agreement ("JSA") to sell more than 15% per week of the advertising time on another radio station in the same market constitutes an attributable ownership interest in such station for purposes of the FCC's ownership rules. Debt instruments, non-voting stock, unexercised options and warrants, minority voting interests in corporations having a single majority shareholder, and limited partnership or limited liability company membership interests where the interest holder is not "materially involved" in the media-related activities of the partnership or limited liability company pursuant to FCC-prescribed "insulation" provisions, generally do not subject their holders to attribution unless such interests implicate the FCC's equity-debt-plus (or "EDP") rule. Under the EDP rule, a major programming supplier or the holder of an attributable interest in a same-market radio station will have an attributable interest in a station if the supplier or same-market media entity also holds debt or equity, or both, in the station that is greater than 33% of the value of the station's total debt plus equity. For purposes of the EDP rule, equity includes all stock, whether voting or nonvoting, and interests held by limited partners or limited liability company members that are "insulated" from material involvement in the company's media activities. A major programming supplier is any supplier that provides more than 15% of the station's weekly programming hours.

The Communications Act and FCC rules generally restrict ownership, operation or control of, or the common holding of attributable interests in, radio broadcast stations serving the same local market in excess of specified numerical limits.

The numerical limits on radio stations that one entity may own in a local market are as follows:

- in a radio market with 45 or more commercial radio stations, a party may hold an attributable interest in up to eight commercial radio stations, not more than five of which are in the same service (AM or FM);
- in a radio market with 30 to 44 commercial radio stations, a party may hold an attributable interest in up to seven commercial radio stations, not more than four of which are in the same service (AM or FM);

- in a radio market with 15 to 29 commercial radio stations, a party may hold an attributable interest in up to six commercial radio stations, not more than four of which are in the same service (AM or FM); and
- in a radio market with 14 or fewer commercial radio stations, a party may hold an attributable interest in up to five commercial radio stations, not more than three of which are in the same service (AM or FM), except that a party may not hold an attributable interest in more than 50% of the radio stations in such market.

To apply these tiers, the FCC currently relies on Nielsen Metro Survey Areas, where they exist. In other areas, the FCC relies on a contour-overlap methodology. The FCC has initiated a rulemaking to determine how to define local radio markets in areas located outside Nielsen Metro Survey Areas. The market definition used by the FCC in applying its ownership rules may not be the same as that used for purposes of the Hart-Scott-Rodino Act. In 2003, when the FCC changed its methodology for defining local radio markets, it grandfathered existing combinations of radio stations that would not comply with the modified rules. The FCC's rules provide that these grandfathered combinations may not be sold intact except to certain "eligible entities," which the FCC defines as entities qualifying as a small business consistent with Small Business Administration standards.

The media ownership rules are subject to review by the FCC every four years. In August 2016, the FCC issued an order concluding its 2010 and 2014 quadrennial reviews. The August 2016 decision retained the local radio ownership rule and limitations on radio/television cross-ownership and newspaper/broadcast cross-ownership without significant changes. In November 2017, the FCC adopted an order reconsidering the August 2016 decision and modifying it in a number of respects. The November 2017 order on reconsideration did not significantly modify the August 2016 decision with respect to the local radio ownership limits. It did, however, eliminate the FCC's previous limits on radio/television cross-ownership and newspaper/broadcast cross-ownership. In September 2019, a federal appeals court vacated the FCC's November 2017 order on reconsideration, as a result of which the radio/television and newspaper/broadcast cross-ownership rules were reinstated. On April 1, 2021, however, the U.S. Supreme Court reversed the September 2019 appeals court ruling, resulting in the elimination of the radio/television and newspaper/broadcast cross-ownership rules effective June 30, 2021. The FCC's 2018 and 2022 quadrennial reviews of its media ownership rules, which commenced in December 2018 and December 2022 respectively, are currently pending.

The attribution and media ownership rules limit the number of radio stations we may acquire or own in any particular market and may limit the prospective buyers of any stations we want to sell. The FCC's rules could affect our business in a number of ways, including, but not limited to, the following:

- the FCC's radio ownership limits could have an adverse effect on our ability to accumulate stations in a given area or to sell a group of stations in a local market to a single entity;
- restricting the assignment and transfer of control of "grandfathered" radio combinations that exceed the ownership limits as a result of the FCC's 2003 change in local market definition could adversely affect our ability to buy or sell a group of stations in a local market from or to a single entity; and
- in general terms, future changes in the way the FCC defines radio markets or in the numerical station caps could limit our ability to acquire new stations in certain markets, our ability to operate stations pursuant to certain agreements, and our ability to improve the coverage contours of our existing stations.

*Programming and Operations.* The Communications Act requires broadcasters to serve the "public interest" by presenting programming that responds to community problems, needs and interests and by maintaining records demonstrating such responsiveness. The FCC considers complaints from viewers or listeners about a broadcast station's programming. All radio stations are now required to maintain their public inspection files on a publicly accessible FCC-hosted online database. Moreover, the FCC has from time to time proposed rules designed to increase local programming content and diversity, including renewal application processing guidelines for locally-oriented programming and a requirement that broadcasters establish advisory boards in the communities where they own stations. Stations also must follow FCC rules and policies regulating political advertising, obscene or indecent programming, sponsorship

identification, contests and lotteries and technical operation, including limits on human exposure to radio frequency radiation.

The FCC requires that licensees not discriminate in hiring practices on the basis of race, color, religion, national origin or gender. It also requires stations with at least five full-time employees to broadly disseminate information about all full-time job openings and undertake outreach initiatives from an FCC list of activities such as participation in job fairs, internships, or scholarship programs. The FCC is considering whether to apply these recruitment requirements to part-time employment positions. Stations must retain records of their outreach efforts and keep an annual Equal Employment Opportunity ("EEO") report in their public inspection files and post an electronic version on their websites.

From time to time, complaints may be filed against any of our radio stations alleging violations of these or other rules. In addition, the FCC may conduct audits or inspections to ensure and verify licensee compliance with FCC rules and regulations. Failure to observe these or other rules and regulations can result in the imposition of various sanctions, including fines or conditions, the grant of "short" (less than the maximum eight year) renewal terms or, for particularly egregious violations, the denial of a license renewal application or the revocation of a license.

#### **Human Capital**

As of December 31, 2022, we employed 881 full-time employees and 408 part-time employees. Our employees are not unionized.

We believe that our success largely depends upon our continued ability to attract and retain highly skilled employees. We provide our employees with competitive salaries and bonuses, development programs that enable continued learning and growth, and offer an employment package that promotes well-being across all aspects of their lives, including health care, retirement planning and paid time off.

As a business founded by an African-American woman, diversity and inclusion is engrained in our corporate history. Our Board of Directors is diverse; Catherine L. Hughes, our Founder and Chairperson, is an African-American woman, and four of our six directors are minorities. Our President and Chief Executive Officer, who is also a director, Alfred C. Liggins, III is an African-American male, as is our Senior Vice President and General Counsel, Kristopher Simpson. Further, Karen Wishart, our Executive Vice President and Chief Administrative Officer, is an African-American woman, as is Michelle Rice, President of TV ONE. As of December 31, 2022, 74% of our employees were racially diverse, and 45% of our employees were women. We are proud that our organization is governed and propelled by such a diverse group of individuals, which we believe contributes to our Company's success now, and in the long-term.

Our senior leadership team has introduced various initiatives to ensure that our Company remains inclusive and supportive for all, including: (i) conducting workplace training, which includes focuses on unconscious bias, discrimination and harassment; (ii) leveraging a diverse slate of candidates for all job vacancies, including senior leadership; and (iii) developing content across our multi-media platform that elevates the voice of minority communities to foster equality and inclusion in both the entertainment industry and across the nation.

#### **Environmental**

As the owner, lessee or operator of various real properties and facilities, we are subject to federal, state and local environmental laws and regulations. Historically, compliance with these laws and regulations has not had a material adverse effect on our business. There can be no assurance, however, that compliance with existing or new environmental laws and regulations will not require us to make significant expenditures in the future.

#### **Seasonality**

Seasonal revenue fluctuations are common in the radio broadcasting industry and are due primarily to fluctuations in advertising expenditures. Typically, revenues are lowest in the first calendar quarter of the year. Due to this seasonality and certain other factors, the results of interim periods may not necessarily be indicative of results for the full year. In

addition, our operations are impacted by political cycles and generally experience higher revenues in congressional and presidential election years. This cyclicity may affect comparability between years.

#### **Corporate Governance**

*Code of Ethics.* We have adopted a code of ethics that applies to all of our directors, officers (including our principal financial officer and principal accounting officer) and employees and meets the requirements of the SEC and the NASDAQ Stock Market Rules. Our code of ethics can be found on our website, [www.urban1.com](http://www.urban1.com). We will provide a paper copy of the code of ethics, free of charge, upon request.

*Audit Committee Charter.* Our audit committee has adopted a charter as required by the NASDAQ Stock Market Rules. This committee charter can be found on our website, [www.urban1.com](http://www.urban1.com). We will provide a paper copy of the audit committee charter, free of charge, upon request.

*Compensation Committee Charter.* Our Board of Directors has adopted a compensation committee charter. We will provide a paper copy of the compensation committee charter, free of charge, upon request.

#### **Internet Address and Internet Access to SEC Reports**

Our internet address is [www.urban1.com](http://www.urban1.com). You may obtain through our internet website, free of charge, copies of our proxies, annual reports on Form 10-K and 10-K/A, quarterly reports on Form 10-Q and Form 10-Q/A, current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934. These reports are available as soon as reasonably practicable after we electronically file them with or furnish them to the SEC. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this Form 10-K.

### **ITEM 1A. RISK FACTORS**

#### **Risks Related to Our Business and Industry**

In an enterprise as large and complex as ours, a wide range of factors could affect our business and financial results. The factors described below are considered to be the most significant, but are not listed in any particular order. There may be other currently unknown or unpredictable economic, business, competitive, regulatory or other factors that could have material adverse effects on our future results. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. The following discussion of risk factors should be read in conjunction with "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes in "Item 8. Financial Statements and Supplementary Data" of this Form 10-K.

***We have identified material weaknesses in our internal control over financial reporting which could, if not remediated, result in material misstatements in our consolidated financial statements.***

As discussed in Part II, Item 9A, "Controls and Procedures" of this Form 10-K, management has concluded that our internal controls related to certain business processes and disclosure controls and procedures were not effective as of December 31, 2022 due to the identified material weaknesses.

In addition, as discussed in Note 2 – *Restatement of Financial Statements*, management and our Audit Committee, after discussion with our independent registered public accounting firm, concluded that our previously issued financial statements for the Affected Periods should be restated due to understatements in the value of the MGM Investment. The restatement related to our material weakness in internal control over financial reporting over the investments in MGM National Harbor. In addition to the adjustments related to the MGM Investment, the Company also included corrections for previously identified out-of-period misstatements relating to radio broadcasting license impairment, misstatements relating to its right of use assets, misstatements relating to the fair value of the Reach Media redeemable noncontrolling

interest, amortization of certain launch assets, misclassifications of certain line items in the balance sheets and statements of cash flows, and any related tax effects.

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting, as defined in Rule 13a-15(f) under the Securities Exchange Act. Management identified material weaknesses in our internal control over financial reporting. A material weakness is defined as a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. As a result of these material weaknesses, our management concluded that our internal control over financial reporting was not effective based on criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – An Integrated Framework. We are actively engaged in remediation efforts designed to address these material weaknesses. If our remedial measures are insufficient to address the material weaknesses, or if additional material weaknesses or significant deficiencies in our internal control are discovered or occur in the future, our consolidated financial statements may contain material misstatements and we could be required to restate our financial results.

The material weaknesses, or a failure to promptly remediate them, may adversely affect our business, our reputation, our results of operations and the market price of our common stock. If we are unable to remediate the material weaknesses in a timely manner, our investors, customers and other business partners may lose confidence in our business or our financial reports, and our access to capital markets may be adversely affected. In addition, our ability to record, process, and report financial information accurately, and to prepare financial statements within the time periods specified by the rules and regulations of the Securities and Exchange Commission and other regulatory authorities, could be adversely affected, which may result in violations of applicable securities laws, stock exchange listing requirements and the covenants under our debt agreements. We could also be exposed to lawsuits, investigations, or other legal actions. In such actions, a governmental authority may interpret a law, regulation or accounting principle differently than we have, exposing us to different or additional risks. We could incur significant costs in connection with these actions. We have not accrued for any such liabilities.

The control deficiencies resulting in the material weaknesses, in the aggregate, if not effectively remediated could also result in misstatements of accounts or disclosures that would result in a material misstatement of the annual or interim consolidated financial statements that would not be prevented or detected. In addition, we cannot be certain that we will not identify additional control deficiencies or material weaknesses in the future. If we identify future control deficiencies or material weaknesses, these may lead to adverse effects on our business, our reputation, our results of operations, and the market price of our common stock.

***We face risks related to the restatement of our previously issued consolidated financial statements with respect to the Affected Periods.***

As discussed in the Explanatory Note and in Note 2 to the consolidated financial statements in this Form 10-K, we reached a determination to restate certain financial information and related footnote disclosures in our previously issued consolidated financial statements for the Affected Periods. As a result, we have become subject to a number of additional risks and uncertainties, which may affect investor confidence in the accuracy of our financial disclosures and may raise reputational issues for our business. We expect to continue to face many of the risks and challenges related to the restatement, including the following:

- we may face potential for litigation or other disputes, which may include, among others, claims invoking the federal and state securities laws, contractual claims or other claims arising from the restatement; and
- the processes undertaken to effect the restatement may not have been adequate to identify and correct all errors in our historical financial statements and, as a result, we may discover additional errors and our financial statements remain subject to the risk of future restatement.

We cannot assure that all of the risks and challenges described above will be eliminated or that general reputational harm will not persist. If one or more of the foregoing risks or challenges persist, our business, operations and financial condition are likely to be materially and adversely affected.

***The restatement of our previously issued financial statements has been time-consuming and expensive and could expose us to additional risks that could materially adversely affect our financial position, results of operations and cash flows.***

We have incurred significant expenses, including audit, legal, consulting and other professional fees, in connection with the restatement of our previously issued financial statements and the ongoing remediation of material weaknesses in our internal control over financial reporting. We have implemented and will continue to implement additional processes utilizing existing resources and adding new resources as needed. To the extent these steps are not successful, we could be forced to incur additional time and expense. Our management's attention has also been diverted from the operation of our business in connection with the restatements and ongoing remediation of material weaknesses in our internal controls.

***The delayed filing of our annual report has made us currently ineligible to use a registration statement on Form S-3 to register the offer and sale of securities, which could adversely affect our ability to raise future capital or complete acquisitions.***

As a result of the delayed filing of our annual report with the SEC, we will not be eligible to register the offer and sale of our securities using a short form registration statement on Form S-3 until one year from the date we regain and maintain status as a current filer. Should we wish to register the offer and sale of our securities to the public prior to the time we are eligible to use a short form registration statement on Form S-3, both our transaction costs and the amount of time required to complete the transaction could increase, making it more difficult to timely execute any such transaction successfully and potentially harming our financial condition.

#### **Risks Related to the Nature and Operations of Our Business**

##### ***Impact of Public Health Crisis***

An epidemic or pandemic disease outbreak, such as the COVID-19 pandemic, has caused, and may cause in the future, disruption to the media industry and to our business operations. Preventative and protective measures taken by governmental authorities and private actors in response to a global health crisis may disrupt the ways in which Americans live, work and spend. Further, the demand for advertising across our various segments/platforms is linked to the level of economic activity and employment in the U.S. and the ways in and rates at which various media are consumed. Specifically, our business is heavily dependent on the demand for advertising from consumer-focused companies. Dislocation of consumer demand due to changes in commuter volume and patterns and/or hybrid work models has caused, and could further cause, advertisers to reduce, postpone or otherwise change their marketing spending generally, and on our platforms in particular. Such results could have a material adverse effect on our business and financial condition.

We are continuing to see some of the foregoing effects and could see additional effects in the future from COVID-19 which are not within our control and cannot be accurately predicted and are uncertain.

***The state and condition of the global financial markets and fluctuations in the global and U.S. economies may have an unpredictable impact on our business and financial condition.***

From time to time, including as a result of inflation, changes in interest rates, recession or the current pandemic, the global equity and credit markets experience high levels of volatility and disruption. At various points in time, the markets have produced upward and/or downward pressure on stock prices and limited credit capacity for certain companies without regard to those companies' underlying financial strength. In addition, advertising is a discretionary and variable business expense which may be reduced as companies contend with higher expenses, including higher costs of capital. Spending on advertising tends to decline disproportionately during an economic recession or downturn as compared to other types of business spending. Consequently, a downturn in the United States economy generally has an adverse effect on our advertising revenue and, therefore, our results of operations. A recession or downturn in the economy of any individual geographic market, particularly a major market in which we operate, also may have a significant effect on us. Radio revenues in the markets in which we operate may also face greater challenges than the U.S. economy generally and may remain so. Radio revenues in certain markets in which we operate have lagged the growth of the general United States economy as audiences have not returned to pre-pandemic levels.

***Adverse developments affecting the financial services industry could adversely affect our liquidity, financial condition, and results of operations, either directly or through adverse impacts on certain of our vendors and customers.***

Adverse developments that affect financial institutions, such as events involving liquidity that are rumored or actual, have in the past and may in the future lead to bank failures and/or market-wide liquidity problems. These events could have an adverse effect on our financial condition and results of operations, either directly or through an adverse impact on certain of our vendors and customers. For example, on March 10, 2023, Silicon Valley Bank was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation (“FDIC”) as receiver. Similarly, on March 12, 2023, Signature Bank was put into receivership. Since that time, there have been reports of instability at other U.S. banks. Although the Federal Reserve Board, the Department of the Treasury and the FDIC have taken steps to ensure that depositors at Silicon Valley Bank and Signature Bank can access all of their funds, including funds held in uninsured deposit accounts, and have taken additional steps to provide liquidity to other banks, there is no guarantee that, in the event of the closure of other banks or financial institutions in the future, depositors would be able to access uninsured funds or that they would be able to do so in a timely fashion.

To date, we have not experienced any adverse impact to our liquidity, financial condition or results of operations as a result of the events described above. However, failures of other banks or financial institutions may expose us to additional risks, either directly or through the effect on vendors or other third parties, and may lead to significant disruptions to our operations, financial condition and reputation. Moreover, uncertainty remains over liquidity concerns in the broader financial services industry. Our business may be adversely impacted by these developments in ways that we cannot predict at this time, there may be additional risks that we have not yet identified, and we cannot guarantee that we will be able to avoid negative consequences directly or indirectly from any failure of one or more banks or other financial institutions.

***Any deterioration in the economy could negatively impact our results of operations.***

Many financial and economic analysts have forecasted a recession in calendar year 2023 and/or 2024. Our results of operations could be negatively impacted by recession, economic fluctuations, or future economic downturns. Also, expenditures by advertisers tend to be cyclical, reflecting overall economic conditions. Even in the absence of a general recession or downturn in the economy, an individual business sector (such as the automotive industry or the hospitality industry) that tends to spend more on advertising than other sectors might be forced to reduce its advertising expenditures if that sector experiences a downturn. If any such sector’s spending represents a significant portion of our advertising revenues, any reduction in its advertising expenditures may affect our revenue.

The risks associated with our business could be more acute in periods of a slowing economy or recession, which may be accompanied by a decrease in advertising expenditures. A decrease in advertising expenditures could adversely impact our business, financial condition, and results of operations. There can be no assurance that we will not experience an adverse impact on our ability to access capital, which could adversely impact our business, ability to make future investments, our financial condition and results of operations. In addition, our ability to access the capital markets may be severely restricted at a time when we would like or need to do so, which could have an adverse impact on our capacity to react to changing economic and business conditions.

***We are exposed to credit risk on our accounts receivable. This risk is heightened during periods of uncertain economic conditions.***

Our outstanding accounts receivable are not covered by collateral or credit insurance. While we have procedures to monitor and limit exposure to credit risk on our receivables, this risk is heightened during periods of uncertain economic conditions and there can be no assurance such procedures will effectively limit our credit risk. Such failures could have a material adverse effect on our financial condition, results of operations and cash flow.

***Increases in interest rates and the reduced availability of financing for consumer products may impact the demand for advertising.***

In general, demand for certain consumer products may be adversely affected by increases in interest rates and the reduced availability of financing. Also, trends in the financial industry which influence the requirements used by lenders



to evaluate potential consumers can result in reduced availability of financing. If interest rates or lending requirements increase and consequently, the ability of prospective consumers to finance purchases of products is adversely affected, the demand for advertising may also be adversely impacted and the impact may be material. In addition, our borrowing costs could be impacted, and such cost changes could reduce the expected returns on certain of our corporate development and other investment opportunities.

***The terms of our indebtedness and the indebtedness of our direct and indirect subsidiaries may restrict our current and future operations, particularly our ability to respond to changes in market conditions or to take some actions.***

Our debt instruments impose operating and financial restrictions on us. These restrictions limit or prohibit, among other things, our ability and the ability of our subsidiaries to incur additional indebtedness, issue preferred stock, incur liens, pay dividends, enter into asset purchase or sale transactions, merge or consolidate with another company, dispose of all or substantially all of our assets or make certain other payments or investments. These restrictions could limit our ability to grow our business through acquisitions and could limit our ability to respond to market conditions or meet extraordinary capital needs.

***We have historically incurred net losses which could resume in the future.***

We have historically reported net losses in our consolidated statements of operations, due mostly in part to recording non-cash impairment charges for write-downs to radio broadcasting licenses and goodwill, interest expenses (both cash and non-cash), and revenue declines caused by weakened advertising demand resulting from the current economic environment. These results have had a negative impact on our financial condition and could be exacerbated in a poor economic climate. If such items recur in the future, they could have a material adverse effect on our financial condition.

***Our revenue is substantially dependent on spending and allocation decisions by advertisers, and seasonality and/or weakening economic conditions may have an impact upon our business.***

Substantially all of our revenue is derived from sales of advertisements and program sponsorships to local and national advertisers. Any reduction in advertising expenditures or changes in advertisers' spending priorities and/or allocations across different types of media/platforms or programming could have an adverse effect on the Company's revenues and results of operations. We do not obtain long-term commitments from our advertisers and advertisers may cancel, reduce, or postpone advertisements without penalty, which could adversely affect our revenue. Seasonal net revenue fluctuations are common in the media industries and are due primarily to fluctuations in advertising expenditures by local and national advertisers. In addition, advertising revenues in even-numbered years tend to benefit from advertising placed by candidates for political offices. The effects of such seasonality (including the weather), combined with the severe structural changes that have occurred in the U.S. economy, make it difficult to estimate future operating results based on the previous results of any specific quarter and may adversely affect operating results.

***Our success is dependent upon audience acceptance of our content, particularly our television and radio programs, which is difficult to predict.***

Radio, video, and digital content production and distribution are inherently risky businesses because the revenues derived from the production and distribution of media content or a radio program, and the licensing of rights to the intellectual property associated with the content or program, depend primarily upon their acceptance and perceptions by the public, which can change quickly and are difficult to predict. The commercial success of content or a program also depends upon the quality and acceptance of other competing programs released into the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions, and other tangible and intangible factors, all of which are difficult to predict. Our failure to obtain or retain rights to popular content on any part of our multi-media platform could adversely affect our revenues.

Ratings for broadcast stations and traffic on a particular website are also factors that are weighed when advertisers determine which outlets to use and in determining the advertising rates that the outlet receives. Poor ratings or traffic levels can lead to a reduction in pricing and advertising revenues. For example, if there is an event causing a change of programming at one of our stations, there could be no assurance that any replacement programming would generate the

same level of ratings, revenues, or profitability as the previous programming. In addition, changes in ratings methodology, search engine algorithms and technology could adversely impact our businesses and negatively affect our advertising revenues.

Television content production is inherently a risky business because the revenues derived from the production and distribution of a television program and the licensing of rights to the associated intellectual property depends primarily upon the public's level of acceptance, which is difficult to predict. The commercial success of a television program also depends upon the quality and acceptance of other competing programs in the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions, and other tangible and intangible factors, all of which are difficult to predict. Rating points are also factors that are weighed when determining the advertising rates that TV One/CLEO TV receive. Poor ratings can lead to a reduction in pricing and advertising revenues. Consequently, low public acceptance of TV One/CLEO TV's content may have an adverse effect on our cable television segment's results of operations. Further, networks or programming launched by Netflix™, Oprah Winfrey (OWN™), Sean Combs (REVOLT TV™), and Magic Johnson (ASPIRE™), could take away from our audience share and ratings and thus have an adverse effect on our cable television's results of operations.

***Increases in or new royalties, including through legislation, could adversely impact our business, financial condition and results of operations.***

We currently pay royalties to song composers and publishers through BMI, ASCAP, SESAC and GMR but not to record labels or recording artists for exhibition or use of over the air broadcasts of music. We must also pay royalties to the copyright owners of sound recordings for the digital audio transmission of such sound recordings on the Internet. We pay such royalties under federal statutory licenses and pay applicable license fees to Sound Exchange, the non-profit organization designated by the United States Copyright Royalty Board to collect such license fees. The royalty rates applicable to sound recordings under federal statutory licenses are subject to adjustment. The royalty rates we pay to copyright owners for the public performance of musical compositions on our radio stations and internet streams could increase as a result of private negotiations and the emergence of new performing rights organizations, which could adversely impact our businesses, financial condition, results of operations and cash flows. Further, from time to time, Congress considers legislation which could change the copyright fees and the procedures by which the fees are determined. The legislation historically has been the subject of considerable debate and activity by the broadcast industry and other parties affected by the proposed legislation. It cannot be predicted whether any proposed future legislation will become law or what impact it would have on our results from operations, cash flows or financial position.

***A disproportionate share of our radio segment revenue comes from a small number of geographic markets and our syndicated radio business, Reach Media.***

For the year ended December 31, 2022, approximately 32.3% of our net revenue was generated from the sale of advertising in our core radio business, excluding Reach Media. Within our core radio business, seven (Atlanta, Baltimore, Charlotte, Dallas, Houston, Indianapolis, and Washington, DC) of the 13 markets in which we operated radio stations throughout 2022 or a portion thereof accounted for approximately 73.8% of our radio station net revenue for the year ended December 31, 2022. Revenue from the operations of Reach Media, along with revenue from the seven significant contributing radio markets, accounted for approximately 32.5% of our total consolidated net revenue for the year ended December 31, 2022. Adverse events or conditions (economic, including government cutbacks or otherwise) could lead to declines in the contribution of Reach Media or declines in one or more of the seven significant contributing radio markets, which could have a material adverse effect on our overall financial performance and results of operations.

***We may lose audience share and advertising revenue to our competitors.***

Our media properties compete for audiences and advertising revenue with other radio stations and station groups and other media such as broadcast television, newspapers, magazines, cable television, satellite television, satellite radio, outdoor advertising, "over the top providers" on the internet and direct mail. Adverse changes in audience ratings, internet traffic, and market shares could have a material adverse effect on our revenue. Larger media companies, with more financial resources than we have may target our core audiences or enter the segments or markets in which we operate, causing competitive pressure. Further, other media and broadcast companies may change their programming format or

engage in aggressive promotional campaigns to compete directly with our media properties for our core audiences and advertisers. Competition for our core audiences in any of our segments or markets could result in lower ratings or traffic and, hence, lower advertising revenue for us, or cause us to increase promotion and other expenses and, consequently, lower our earnings and cash flow. Changes in population, demographics, audience tastes and other factors beyond our control, could also cause changes in audience ratings or market share. Failure by us to respond successfully to these changes could have an adverse effect on our business and financial performance. We cannot assure that we will be able to maintain or increase our current audience ratings and advertising revenue.

***We must respond to the rapid changes in technology, content offerings, services, and standards across our entire platform in order to remain competitive.***

Technological standards across our media properties are evolving and new distribution technologies/platforms are emerging at a rapid pace. We cannot assure that we will have the resources to acquire new technologies or to introduce new features, content or services to compete with these new technologies. New media has resulted in fragmentation in the advertising market, and we cannot predict the effect, if any, that additional competition arising from new technologies or content offerings may have across any of our business segments or our financial condition and results of operations, which may be adversely affected if we are not able to adapt successfully to these new media technologies or distribution platforms. The continuing growth and evolution of channels and platforms has increased our challenges in differentiating ourselves from other media platforms. We continually seek to develop and enhance our content offerings and distribution platforms/methodologies. Failure to effectively execute in these efforts, actions by our competitors, or other failures to deliver content effectively could hurt our ability to differentiate ourselves from our competitors and, as a result, have adverse effects across our business.

***The loss of key personnel, including certain on-air talent, could disrupt the management and operations of our business.***

Our business depends upon the continued efforts, abilities and expertise of our executive officers and other key employees, including certain on-air personalities. We believe that the combination of skills and experience possessed by our executive officers and other key employees could be difficult to replace, and that the loss of one or more of them could have a material adverse effect on us, including the impairment of our ability to execute our business strategy. In addition, several of our on-air personalities and syndicated radio programs hosts have large loyal audiences in their respective broadcast areas and may be significantly responsible for the ratings of a station. The loss of such on-air personalities or any change in their popularity could impact the ability of the station to sell advertising and our ability to derive revenue from syndicating programs hosted by them. We cannot be assured that these individuals will remain with us or will retain their current audiences or ratings.

***If our digital segment does not continue to develop and offer compelling and differentiated content, products and services, our advertising revenues could be adversely affected.***

In order to attract consumers and generate increased activity on our digital properties, we believe that we must offer compelling and differentiated content, products and services. However, acquiring, developing, and offering such content, products and services may require significant costs and time to develop, while consumer tastes may be difficult to predict and are subject to rapid change. If we are unable to provide content, products and services that are sufficiently attractive to our digital users, we may not be able to generate the increases in activity necessary to generate increased advertising revenues. In addition, although we have access to certain content provided by our other businesses, we may be required to make substantial payments to license such content. Many of our content arrangements with third parties are non-exclusive, so competitors may be able to offer similar or identical content. If we are not able to acquire or develop compelling content and do so at reasonable prices, or if other companies offer content that is similar to that provided by our digital segment, we may not be able to attract and increase the engagement of digital consumers on our digital properties.

Continued growth in our digital business also depends on our ability to continue offering a competitive and distinctive range of advertising products and services for advertisers and publishers and our ability to maintain or increase prices for our advertising products and services. Continuing to develop and improve these products and services may require significant time and costs. If we cannot continue to develop and improve our advertising products and services or if prices

for our advertising products and services decrease, our digital advertising revenues could be adversely affected. Finally, recently, our digital business has seen significant growth in its business due to advertisers increased interest in minority controlled media given recent social justice/equality trends. Should these trends reverse or decline, revenues within our digital and other segments could be adversely impacted.

***More individuals are using devices other than personal and laptop computers to access and use the internet, and, if we cannot make our products and services available and attractive to consumers via these alternative devices, our internet advertising revenues could be adversely affected.***

Digital users are increasingly accessing and using the internet through mobile tablets, smartphones and wearable devices. In order for consumers to access and use our products and services via these devices, we must ensure that our products and services are technologically compatible with such devices. If we cannot effectively make our products and services available on these devices, fewer internet consumers may access and use our products and services and our advertising revenue may be negatively affected.

***Unrelated third parties may claim that we infringe on their rights based on the nature and content of information posted on websites we maintain.***

We host internet services that enable individuals to exchange information, generate content, comment on our content, and engage in various online activities. The law relating to the liability of providers of these online services for activities of their users is currently unsettled both within the United States and internationally. While we monitor postings to such websites, claims may be brought against us for defamation, negligence, copyright or trademark infringement, unlawful activity, tort, including personal injury, fraud, or other theories based on the nature and content of information that may be posted online or generated by our users. Our defense of such actions could be costly and involve significant time and attention of our management and other resources.

***If we are unable to protect our domain names and/or content, our reputation and brands could be adversely affected.***

We currently hold various domain name registrations relating to our brands, including urban1.com, radio-one.com and interactiveone.com. The registration and maintenance of domain names are generally regulated by governmental agencies and their designees. Governing bodies may establish additional top-level domains, appoint additional domain name registrars, or modify the requirements for holding domain names. As a result, we may be unable to register or maintain relevant domain names. We may be unable, without significant cost or at all, to prevent third parties from registering domain names that are similar to, infringe upon, or otherwise decrease the value of our trademarks and other proprietary rights. Failure to protect our domain names could adversely affect our reputation and brands, and make it more difficult for users to find our websites and our services. In addition, piracy of the Company's content, including digital piracy, may decrease revenue received from the exploitation of the Company's programming and other content and adversely affect its businesses and profitability.

***Future asset impairment to the carrying values of our FCC licenses and goodwill could adversely impact our results of operations and net worth.***

As of December 31, 2022, we had approximately \$488.4 million in broadcast licenses and \$216.6 million in goodwill, which totaled \$705.0 million, and represented approximately 52.7% of our total assets. Therefore, we believe estimating the fair value of goodwill and radio broadcasting licenses is a critical accounting estimate because of the significance of their carrying values in relation to our total assets.

We are required to test our goodwill and indefinite-lived intangible assets for impairment at least annually, which we have traditionally done as of October 1 each year, or on an interim basis when events or changes in circumstances suggest impairment may have occurred. Impairment is measured as the excess of the carrying value of the goodwill or indefinite-lived intangible asset over its fair value. Impairment may result from deterioration in our performance, changes in anticipated future cash flows, changes in business plans, adverse economic or market conditions, adverse changes in applicable laws and regulations, or other factors beyond our control. The amount of any impairment must be expensed as a charge to operations. Fair values of FCC licenses have been estimated using the income approach, which incorporates

several judgmental assumptions over a 10-year model including, but not limited to, market revenue and projected revenue growth by market, mature market share, mature operating profit margin, discount rate and terminal growth rate. Fair values of goodwill have been estimated using the income approach, which incorporates several judgmental assumptions over a 10-year model including, but not limited to, revenue growth rates, future operating profit margins, discount rate and terminal growth rate. We also utilize a market-based approach to evaluate our fair value estimates. There are inherent uncertainties related to these assumptions and our judgment in applying them to the impairment analysis.

Changes in certain events or circumstances could result in changes to our estimated fair values and may result in further write-downs to the carrying values of these assets. Additional impairment charges could adversely affect our financial results, financial ratios and could limit our ability to obtain financing in the future.

***Our business depends on maintaining our licenses with the FCC. We could be prevented from operating a radio station if we fail to maintain its license.***

Within our core radio business, we are required to maintain radio broadcasting licenses issued by the FCC. These licenses are ordinarily issued for a maximum term of eight years and are renewable. Currently, subject to renewal, our radio broadcasting licenses expire at various times beginning October 2027 through August 1, 2030. While we anticipate receiving renewals of all of our broadcasting licenses, interested third parties may challenge our renewal applications. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application was filed and is pending, as is the case with respect to each of our stations with licenses that have expired. During the periods when a renewal application is pending, informal objections and petitions to deny the renewal application can be filed by interested parties, including members of the public, on a variety of grounds. In addition, we are subject to extensive and changing regulation by the FCC with respect to such matters as programming, indecency standards, technical operations, employment and business practices. If we or any of our significant stockholders, officers, or directors violate the FCC's rules and regulations or the Communications Act of 1934, as amended (the "Communications Act"), or is convicted of a felony or found to have engaged in certain other types of non-FCC related misconduct, the FCC may commence a proceeding to impose fines or other sanctions upon us. Examples of possible sanctions include the imposition of fines, the renewal of one or more of our broadcasting licenses for a term of fewer than eight years or the revocation of our broadcast licenses. If the FCC were to issue an order denying a license renewal application or revoking a license, we would be required to cease operating the radio station covered by the license only after we had exhausted administrative and judicial review without success.

***Disruptions or security breaches of our information technology infrastructure could interfere with our operations, compromise client information and expose us to liability, possibly causing our business and reputation to suffer.***

Our industry is prone to cyber-attacks by third parties seeking unauthorized access to our data or users' data. Any failure to prevent or mitigate security breaches and improper access to or disclosure of our data or user data could result in the loss or misuse of such data, which could harm our business and reputation and diminish our competitive position. In addition, computer malware, viruses, social engineering (predominantly spear phishing attacks), and general hacking have become more prevalent in general. Our efforts to protect our company's data or the information we receive may be unsuccessful due to software bugs or other technical malfunctions; employee, contractor, or vendor error or malfeasance; government surveillance; or other threats that evolve. In addition, third parties may attempt to fraudulently induce employees or users to disclose information in order to gain access to our data or our users' data on a continual basis.

Any internal technology breach, error or failure impacting systems hosted internally or externally, or any large scale external interruption in technology infrastructure we depend on, such as power, telecommunications or the Internet, may disrupt our technology network. Any individual, sustained or repeated failure of technology could impact our customer service and result in increased costs or reduced revenues. Our technology systems and related data also may be vulnerable to a variety of sources of interruption due to events beyond our control, including natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Our technology security initiatives, disaster recovery plans and other measures may not be adequate or implemented properly to prevent a business disruption and its adverse financial consequences to our reputation.

In addition, as a part of our ordinary business operations, we may collect and store sensitive data, including personal information of our clients, listeners and employees. The secure operation of the networks and systems on which this type of information is stored, processed and maintained is critical to our business operations and strategy. Any compromise of our technology systems resulting from attacks by hackers or breaches due to employee error or malfeasance could result in the loss, disclosure, misappropriation of or access to clients', listeners', employees' or business partners' information. Any such loss, disclosure, misappropriation or access could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information, disruption of our operations and damage to our reputation, any or all of which could adversely affect our business. Although we have developed systems and processes that are designed to protect our data and user data, to prevent data loss, and to prevent or detect security breaches, we cannot assure you that such measures will provide absolute security.

In the event of a technical or cyber event, we could experience a significant, unplanned disruption, or substantial and extensive degradation of our services, or our network may fail in the future. Despite our significant infrastructure investments, we may have insufficient communications and server capacity to address these or other disruptions, which could result in interruptions in our services. Any widespread interruption or substantial and extensive degradation in the functioning of our IT or technical platform for any reason could negatively impact our revenue and could harm our business and results of operations. If such a widespread interruption occurred, or if we failed to deliver content to users as expected, our reputation could be damaged severely. Moreover, any disruptions, significant degradation, cybersecurity threats, security breaches, or attacks on our internal information technology systems could impact our ratings and cause us to lose listeners, users or viewers or make it more difficult to attract new ones, either of which could harm our business and results of operations.

***Our business could be materially and adversely affected as a result of natural disasters, terrorism or other catastrophic events.***

Any economic failure or other material disruption caused by war, climate change or natural disasters, including fires, floods, hurricanes, earthquakes, and tornadoes; power loss or shortages; environmental disasters; telecommunications or business information systems failures or similar events could also adversely affect our ability to conduct business. If such disruptions contribute to a general decrease in economic activity or corporate spending on IT, or impair our ability to meet our customer demands, our operating results and financial condition could be materially adversely affected.

There is also an increasing concern over the risks of climate change and related environmental sustainability matters. In addition to physical risks, climate change risk includes longer-term shifts in climate patterns, such as extreme heat, sea level rise, and more frequent and prolonged drought. Such events could disrupt our operations or those of our customers or third parties on which we rely, including through direct damage to assets and indirect impacts from supply chain disruption and market volatility.

***The Company's business diversification efforts, including its efforts to expand its gaming investments, are subject to risks and uncertainties.***

On May 20, 2021, the City of Richmond, Virginia (the "City") announced that it had selected the Company's wholly-owned unrestricted subsidiary RVA Entertainment Holdings, LLC ("RVAEH"), as the City's preferred casino gaming operator to develop and operate a casino resort in Richmond ("Casino Resort"). Pursuant to the Virginia Casino Act, the City is one of five cities in the Commonwealth of Virginia eligible to host a casino gaming establishment, subject to the citizens of the City approving a referendum (the "Referendum"). In November 2021, the required Referendum was conducted and failed to pass. On January 24, 2022, the Richmond City Council adopted a new resolution in efforts to bring the ONE Casino + Resort to the City. The new resolution was the first of several steps in pursuit of a second referendum. After the resolution was passed, the Virginia General Assembly passed legislation that sought to delay the second referendum that was anticipated to occur in November 2022. While there was some question as to the applicability of the legislation, RVAEH and the City determined to adhere to the legislation and to seek a second referendum in November 2023. If the voters approve the second referendum then the Commonwealth may issue one license permitting operation of a casino in Richmond. While the path to a second referendum remains, efforts have been made by third parties to move potential grant of the final casino license out of the City and there can be no assurance that a second

referendum will be ordered, pass with the required voter approval or that we will otherwise be able to move forward with the Casino Resort or any similar initiative. As with all corporate development activities the Company may engage in, any of our current and future business diversification efforts, including pursuit of the Casino Resort, are subject to a number of risks, including but not limited to:

- delays in obtaining or inability to obtain necessary permits, licenses and approvals;
- changes to plans and/or specifications;
- lack of sufficient, or delays in the availability of, financing;
- changes in laws and regulations, or in the interpretation and enforcement of laws and regulations, applicable to gaming, leisure, real estate development or construction projects;
- availability of qualified contractors and subcontractors;
- environmental, health and safety issues, including site accidents and the spread of viruses;
- weather interferences or delays; and
- other unanticipated circumstances or cost increases.

In addition, in engaging in certain of these corporate development activities, we may rely on key contracts and business relationships, and if any of our business partners or contracting counterparties fail to perform, or terminate, any of their contractual arrangements with us for any reason or cease operations, our business could be disrupted and our revenues could be adversely affected. The failure to perform or termination of any of the agreements by a partner or a counterparty, the discontinuation of operations of a partner or counterparty, the loss of good relations with a partner or counterparty or our inability to obtain similar relationships or agreements, may have an adverse effect on our financial condition, results of operations and cash flow. Our former operating partner, Pacific Peninsula Entertainment, sold substantially all of its assets, including its interest in the ONE Casino + Resort project to Churchill Downs, Incorporated, the owner of the Kentucky Derby. While the Company views this as a positive development for the project, there can be no assurance that this development will not have any negative impact on the development of the project.

#### **Certain Regulatory Risks**

##### ***The FCC's media ownership rules could restrict our ability to acquire radio stations.***

The Communications Act and FCC rules and policies limit the number of broadcasting properties that any person or entity may own (directly or by attribution) in any market and require FCC approval for transfers of control and assignments of licenses. The FCC's media ownership rules remain subject to further agency and court proceedings. As a result of the FCC media ownership rules, the outside media interests of our officers and directors could limit our ability to acquire stations. The filing of petitions or complaints against Urban One or any FCC licensee from which we are acquiring a station could result in the FCC delaying the grant of, refusing to grant or imposing conditions on its consent to the assignment or transfer of control of licenses. The Communications Act and FCC rules and policies also impose limitations on non-U.S. ownership and voting of our capital stock.

##### ***Enforcement by the FCC of its indecency rules against the broadcast industry could adversely affect our business operations.***

The FCC's rules prohibit the broadcast of obscene material at any time and indecent or profane material on broadcast stations between the hours of 6 a.m. and 10 p.m. Broadcasters risk violating the prohibition against broadcasting indecent material because of the vagueness of the FCC's indecency and profanity definitions, coupled with the spontaneity of live programming. The FCC has in the past vigorously enforced its indecency rules against the broadcasting industry and has threatened to initiate license revocation proceedings against broadcast licensees for "serious" indecency violations. In June 2012, the Supreme Court issued a decision which, while setting aside certain FCC indecency enforcement actions on narrow due process grounds, declined to rule on the constitutionality of the FCC's indecency policies. Following the

Supreme Court's decision, the FCC requested public comment on the appropriate substance and scope of its indecency enforcement policy. It is not possible to predict whether and, if so, how the FCC will revise its indecency enforcement policies or the effect of any such changes on us. The fines for broadcasting indecent material are a maximum of \$325,000 per utterance. The determination of whether content is indecent is inherently subjective and, as such, it can be difficult to predict whether particular content could violate indecency standards. The difficulty in predicting whether individual programs, words or phrases may violate the FCC's indecency rules adds significant uncertainty to our ability to comply with the rules. Violation of the indecency rules could lead to sanctions which may adversely affect our business and results of operations. In addition, third parties could oppose our license renewal applications or applications for consent to acquire broadcast stations on the grounds that we broadcast allegedly indecent programming on our stations. Some policymakers support the extension of the indecency rules that are applicable to over-the-air broadcasters to cover cable programming and/or attempts to increase enforcement of or otherwise expand existing laws and rules. If such an extension, attempt to increase enforcement, or other expansion took place and was found to be constitutional, some of TV One's content could be subject to additional regulation and might not be able to attract the same subscription and viewership levels.

***Changes in current federal regulations could adversely affect our business operations.***

Congress and the FCC have considered, and may in the future consider and adopt, new laws, regulations and policies that could, directly or indirectly, affect the profitability of our broadcast stations. In particular, Congress may consider and adopt a revocation of terrestrial radio's exemption from paying royalties to performing artists and record companies for use of their recordings (radio already pays a royalty to songwriters, composers and publishers). In addition, commercial radio broadcasters and entities representing artists are negotiating agreements that could result in broadcast stations paying royalties to artists. A requirement to pay additional royalties could have an adverse effect on our business operations and financial performance. Moreover, it is possible that our license fees and negotiating costs associated with obtaining rights to use musical compositions and sound recordings in our programming could sharply increase as a result of private negotiations, one or more regulatory rate-setting processes, or administrative and court decisions. Finally, there has been in the past and there could be again in the future proposed legislation that requires radio broadcasters to pay additional fees such as a spectrum fee for the use of the spectrum. We cannot predict whether such actions will occur.

The television and distribution industries in the United States are highly regulated by U.S. federal laws and regulations issued and administered by various federal agencies, including the FCC. The television broadcasting industry is subject to extensive regulation by the FCC under the Communications Act. The U.S. Congress and the FCC currently have under consideration, and may in the future adopt, new laws, regulations, and policies regarding a wide variety of matters that could, directly or indirectly, affect the operations of our cable television segment. For example, the FCC has initiated a proceeding to examine and potentially regulate more closely embedded advertising such as product placement and product integration. Enhanced restrictions affecting these means of delivering advertising messages may adversely affect our cable television segment's advertising revenues. Changes to the media ownership and other FCC rules may affect the competitive landscape in ways that could increase the competition faced by TV One/CLEO TV. Proposals have also been advanced from time to time before the U.S. Congress and the FCC to extend the program access rules (currently applicable only to those cable program services which also own or are owned by cable distribution systems) to all cable program services. TV One/CLEO TV's ability to obtain the most favorable terms available for its content could be adversely affected should such an extension be enacted into law. We are unable to predict the effect that any such laws, regulations or policies may have on our cable television segment's operations.

***New or changing federal, state or international privacy regulation or requirements could hinder the growth of our internet business.***

A variety of federal and state laws govern the collection, use, retention, sharing and security of consumer data that our business uses to operate its services and to deliver certain advertisements to its customers, as well as the technologies used to collect such data. Not only are existing privacy-related laws in these jurisdictions evolving and subject to potentially disparate interpretation by governmental entities, new legislative proposals affecting privacy are now pending at both the federal and state level in the U.S. Further, third-party service providers may from time to time change their privacy requirements. Changes to the interpretation of existing law or the adoption of new privacy-related requirements by governments or other businesses could hinder the growth of our business and cause us to incur new and additional costs and expenses. Also, a failure or perceived failure to comply with such laws or requirements or with our own policies and



procedures could result in significant liabilities, including a possible loss of consumer or investor confidence or a loss of customers or advertisers.

#### **Unique Risks Related to Our Cable Television Segment**

##### ***The loss of affiliation agreements could materially adversely affect our cable television segment's results of operations.***

Our cable television segment is dependent upon the maintenance of affiliation agreements with cable and direct broadcast distributors for its revenues, and there can be no assurance that these agreements will be renewed in the future on terms acceptable to such distributors. The loss of one or more of these arrangements could reduce the distribution of TV One's and/or CLEO TV's programming services and reduce revenues from subscriber fees and advertising, as applicable. Further, the loss of favorable packaging, positioning, pricing or other marketing opportunities with any distributor could reduce revenues from subscribers and associated subscriber fees. In addition, consolidation among cable distributors and increased vertical integration of such distributors into the cable or broadcast network business have provided more leverage to these distributors and could adversely affect our cable television segment's ability to maintain or obtain distribution for its network programming on favorable or commercially reasonable terms, or at all. The results of renewals could have a material adverse effect on our cable television segment's revenues and results and operations. We cannot assure you that TV One and/or CLEO TV will be able to renew their affiliation agreements on commercially reasonable terms, or at all. The loss of a significant number of these arrangements or the loss of carriage on basic programming tiers could reduce the distribution of our content, which may adversely affect our revenues from subscriber fees and our ability to sell national and local advertising time.

##### ***Changes in consumer behavior resulting from new technologies and distribution platforms may impact the performance of our businesses.***

Our cable television segment faces emerging competition from other providers of digital media, some of which have greater financial, marketing and other resources than we do. In particular, content offered over the internet has become more prevalent as the speed and quality of broadband networks have improved. Providers such as Netflix™, Hulu™, Apple™, Amazon™ and Google™, as well as gaming and other consoles such as Microsoft's Xbox™, Sony's PS5™, Nintendo's Wii™, and Roku™, are aggressively establishing themselves as alternative providers of video content and services, including new and independently developed long form video content. Most recently, new online distribution services have emerged offering live sports and other content without paying for a traditional cable bundle of channels. These services and the growing availability of online content, coupled with an expanding market for mobile devices and tablets that allow users to view content on an on-demand basis and internet-connected televisions, may impact our cable television segment's distribution for its services and content. Additionally, devices or services that allow users to view television programs away from traditional cable providers or on a time-shifted basis and technologies that enable users to fast-forward or skip programming, including commercials, such as DVRs and portable digital devices and systems that enable users to store or make portable copies of content, have caused changes in consumer behavior that may affect the attractiveness of our offerings to advertisers and could therefore adversely affect our revenues. If we cannot ensure that our distribution methods and content are responsive to our cable television segment's target audiences, our business could be adversely affected.

#### **Unique Risks Related to Our Capital Structure**

##### ***Our President and Chief Executive Officer has an interest in TV One that may conflict with your interests.***

Pursuant to the terms of employment with our President and Chief Executive Officer, Mr. Alfred C. Liggins, III, in recognition of Mr. Liggins' contributions in founding TV One on our behalf, he is eligible to receive an award amount equal to approximately 4% of any proceeds from distributions or other liquidity events in excess of the return of our aggregate investment in TV One (the "Employment Agreement Award"). Our obligation to pay the award was triggered after our recovery of the aggregate amount of capital contribution in TV One, and payment is required only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event in excess of such invested amount. Mr. Liggins' rights to the Employment Agreement Award (i) cease if he is terminated for cause or he resigns without good reason and (ii) expire at the termination of his employment (but similar rights could be included in the terms

of a new employment agreement or arrangement). As a result of this arrangement, the interest of Mr. Liggins' with respect to TV One may conflict with your interests as holders of our debt or equity securities.

***Two common stockholders have a majority voting interest in Urban One and have the power to control matters on which our common stockholders may vote, and their interests may conflict with yours.***

As of December 31, 2022, our Chairperson and her son, our President and CEO, together held in excess of 75% of the outstanding voting power of our common stock. As a result, our Chairperson and our CEO control our management and policies and decisions involving or impacting Urban One, including transactions involving a change of control, such as a sale or merger. The interests of these stockholders may differ from the interests of our other stockholders and our debt holders. In addition, certain covenants in our debt instruments require that our Chairperson and the CEO maintain a specified ownership and voting interest in Urban One, and prohibit other parties' voting interests from exceeding specified amounts. Our Chairperson and the CEO have agreed to vote their shares together in elections of members to the Board of Directors of Urban One.

Further, we are a "controlled company" under rules governing the listing of our securities on the NASDAQ Stock Market because more than 50% of our voting power is held by our Chairperson and the CEO. Therefore, we are not subject to NASDAQ Stock Market listing rules that would otherwise require us to have: (i) a majority of independent directors on the board; (ii) a compensation committee composed solely of independent directors; (iii) a nominating committee composed solely of independent directors; (iv) compensation of our executive officers determined by a majority of the independent directors or a compensation committee composed solely of independent directors; and (v) director nominees selected, or recommended for the board's selection, either by a majority of the independent directors or a nominating committee composed solely of independent directors. While a majority of our board members are currently independent directors, we do not make any assurances that a majority of our board members will be independent directors at any given time.

***We are a smaller reporting company as defined by Item 10 of Regulation S-K and we cannot be certain if the reduced disclosure requirements applicable to our filing status will make our common stock less attractive to investors.***

We are a "smaller reporting company" and, thus, have certain decreased disclosure obligations in our SEC filings, including, among other things, simplified executive compensation disclosures and only being required to provide two years of audited financial statements in annual reports. Decreased disclosures in our SEC filings due to our status as a "smaller reporting company" may make it harder for investors to analyze our results of operations and financial prospects and may make our common stock a less attractive investment.

***If we fail to meet the continued listing standards of Nasdaq, our common stock may be delisted, which could have a material adverse effect on the liquidity and market price of our common stock and expose the Company to litigation.***

Our common stock is currently traded on the Nasdaq Stock Exchange. The Nasdaq Stock Market LLC ("NASDAQ") has requirements that a company must meet in order to remain listed. On April 3, 2023, we were notified that we were not in compliance with requirements of NASDAQ Listing Rule 5250(c)(1) (the "Rule") as a result of not having timely filed the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (the "2022 Form 10-K"), with the Securities and Exchange Commission ("SEC"). On May 19, 2023, the Company received a second letter (the "Second Nasdaq Letter") notifying the Company that it was not in compliance with requirements of the Rule as a result of not having timely filed its 2022 Form 10-K and its Quarterly Report on Form 10-Q for the period ended March 31, 2023 (the "Q1 2023 Form 10-Q" and, together with the 2022 Form 10-K, the "Delinquent Reports"), with the SEC.

In accordance with the Second Nasdaq Letter, the Company had until June 2, 2023, to submit a plan to file both Delinquent Reports or to submit a plan to regain compliance with respect to these Delinquent Reports. The Company submitted its plan to regain compliance with respect to these Delinquent Reports on May 26, 2023, and on June 5, 2023, the Company received a letter from Nasdaq granting an exception to enable the Company to regain compliance with the Rule. Under the terms of the exception, on or before September 27, 2023, the Company must file its Form 10-K and Form 10-Q for the period ended December 31, 2022, and March 31, 2023, as required by the Rule.

During this time, our common stock will continue to be listed on the NASDAQ, subject to our compliance with other NASDAQ continued listing requirements. If our common stock were to be delisted, the liquidity of our common stock would be adversely affected and the market price of our common stock could decrease. In addition, the Delinquent Reports could expose the Company to risk of litigation concerning any impact upon the Company's price of the Company's common stock. Any such litigation could distract management from day-to-day operations and further adversely affect the market price of our common stock.

**ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

**ITEM 2. PROPERTIES**

The types of properties required to support each of our radio stations include offices, studios and transmitter/antenna sites. Our other media properties, such as Interactive One, generally only require office space. We typically lease our studio and office space with lease terms ranging from five to 10 years in length. A station's studios are generally housed with its offices in business districts. We generally consider our facilities to be suitable and of adequate size for our current and intended purposes. We lease a majority of our main transmitter/antenna sites and associated broadcast towers and, when negotiating a lease for such sites, we try to obtain a lengthy lease term with options to renew. In general, we do not anticipate difficulties in renewing facility or transmitter/antenna site leases, or in leasing additional space or sites, if required.

We own substantially all of our equipment, consisting principally of transmitting antennae, transmitters, studio equipment and general office equipment. The towers, antennae and other transmission equipment used by our stations are generally in good condition, although opportunities to upgrade facilities are periodically reviewed. The tangible personal property owned by us and the real property owned or leased by us are subject to security interests under our senior credit facility.

**ITEM 3. LEGAL PROCEEDINGS**

Urban One is involved from time to time in various routine legal and administrative proceedings and threatened legal and administrative proceedings incidental to the ordinary course of our business. Urban One believes the resolution of such matters will not have a material adverse effect on its business, financial condition or results of operations.

**ITEM 4. MINE SAFETY DISCLOSURE**

Not applicable.

**PART II.****ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES****Price Range of Our Class A and Class D Common Stock**

Our Class A voting common stock is traded on The NASDAQ Stock Market ("NASDAQ") under the symbol "UONE." The following table presents, for the quarters indicated, the high and low daily closing prices per share of our Class A Common Stock as reported on the NASDAQ.

	<b>High</b>	<b>Low</b>
<b>2022</b>		
First Quarter	\$ 6.62	\$ 4.19
Second Quarter	13.00	5.46
Third Quarter	6.60	4.97
Fourth Quarter	6.14	4.42
<b>2021</b>		
First Quarter	\$ 8.87	\$ 4.16
Second Quarter	20.95	4.56
Third Quarter	9.01	6.40
Fourth Quarter	11.43	4.47

Our Class D non-voting common stock is traded on the NASDAQ under the symbol "UONEK." The following table presents, for the quarters indicated, the high and low daily closing prices per share of our Class D Common Stock as reported on the NASDAQ.

	<b>High</b>	<b>Low</b>
<b>2022</b>		
First Quarter	\$ 5.28	\$ 3.27
Second Quarter	6.88	4.28
Third Quarter	5.12	3.51
Fourth Quarter	5.05	3.65
<b>2021</b>		
First Quarter	\$ 1.98	\$ 1.20
Second Quarter	6.45	1.68
Third Quarter	7.07	4.55
Fourth Quarter	7.40	3.15

**Number of Stockholders**

Based upon a survey of record holders and a review of our stock transfer records, as of May 19, 2023, there were 11,134 holders of Urban One's Class A Common Stock, two holders of Urban One's Class B Common Stock, two holders of Urban One's Class C Common Stock, and approximately 5,586 holders of Urban One's Class D Common Stock.

**Dividends**

Since first selling our common stock publicly in May 1999, we have not declared any cash dividends on any class of our common stock. We intend to retain future earnings for use in our business and do not anticipate declaring or paying any cash or stock dividends on shares of our common stock in the foreseeable future. In addition, any determination to declare and pay dividends will be made by our Board of Directors in light of our earnings, financial position, capital requirements, contractual restrictions contained in our credit facility and the indentures governing our senior subordinated

notes, and other factors as the Board of Directors deems relevant. (See Note 11 — *Long-Term Debt* of our consolidated financial statements.)

#### **ITEM 6. SELECTED FINANCIAL DATA**

Not required for smaller reporting companies.

#### **ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

***The following information should be read in conjunction with the Consolidated Financial Statements and Notes thereto included elsewhere in this report.***

##### **Restatement of Previously Issued Financial Statements**

This Management's Discussion and Analysis ("MD&A") has been restated to give effect to the restatement of the Company's consolidated financial statements, as more fully described in Note 2, *Restatement of Financial Statements*. For further detail regarding the restatement, see "Explanatory Note" and Item 9A, "Controls and Procedures."

##### **Overview**

For the year ended December 31, 2022, consolidated net revenue increased approximately 10.1% compared to the year ended December 31, 2021. For 2023, our strategy will be to: (i) grow market share; (ii) improve audience share in certain markets and improve revenue conversion of strong and stable audience share in certain other markets; and (iii) grow and diversify our revenue by successfully executing our multimedia strategy.

The impact of the COVID pandemic, including the impact of variants and government interventions that limit normal economic activity, competition from digital audio players, the internet, cable television and satellite radio, among other new media outlets, audio and video streaming on the internet, and consumers' increased focus on mobile applications, are some of the reasons our core radio business has experienced volatility. In addition to making overall cutbacks, advertisers continue to shift their advertising budgets away from traditional media such as newspapers, broadcast television and radio to new media outlets. Internet companies have evolved from being large sources of advertising revenue for radio companies to being significant competitors for radio advertising dollars. While these dynamics present significant challenges for companies that are focused solely in the radio industry, through our diversified platform, which includes our radio websites, Interactive One and other online verticals, as well as our cable television business, we are poised to provide advertisers and creators of content with a multifaceted way to reach African-American consumers.

##### **Results of Operations**

###### **Revenue**

Within our core radio business, we primarily derive revenue from the sale of advertising time and program sponsorships to local and national advertisers on our radio stations. Advertising revenue is affected primarily by the advertising rates our radio stations are able to charge, as well as the overall demand for radio advertising time in a market. These rates are largely based upon a radio station's audience share in the demographic groups targeted by advertisers, the number of radio stations in the related market, and the supply of, and demand for, radio advertising time. Advertising rates are generally highest during morning and afternoon commuting hours.

Net revenue consists of gross revenue, net of local and national agency and outside sales representative commissions. Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing.

The following chart shows the percentage of consolidated net revenue generated by each reporting segment.

	Years Ended December 31,	
	2022	2021 (As Restated)
Radio broadcasting segment	32.3 %	31.9 %
Reach Media segment	8.9 %	10.6 %
Digital segment	16.2 %	13.6 %
Cable television segment	43.3 %	44.7 %
All other - corporate/eliminations	(0.7)%	(0.8)%

The following chart shows the percentages generated from local and national advertising as a subset of net revenue from our core radio business.

	Years Ended December 31,	
	2022	2021
Percentage of core radio business generated from local advertising	57.3 %	59.2 %
Percentage of core radio business generated from national advertising, including network advertising	38.8 %	36.3 %

National and local advertising also includes advertising revenue generated from our digital segment. The balance of net revenue from our radio segment was generated from ticket sales and revenue related to our sponsored events, management fees and other revenue.

The following chart shows the sources of our net revenue for the years ended December 31, 2022 and 2021:

	Years Ended December 31,		\$ Change	% Change
	2022	2021 (As Restated)		
(In thousands)				
Radio advertising	\$ 177,268	\$ 165,244	\$ 12,024	7.3 %
Political advertising	13,226	3,494	9,732	278.5
Digital advertising	76,730	59,812	16,918	28.3
Cable television advertising	112,857	95,589	17,268	18.1
Cable television affiliate fees	96,963	101,203	(4,240)	(4.2)
Event revenues & other	7,560	14,943	(7,383)	(49.4)
Net revenue	<u>\$ 484,604</u>	<u>\$ 440,285</u>	<u>\$ 44,319</u>	<u>10.1 %</u>

In the broadcasting industry, radio stations and television stations often utilize trade or barter agreements to reduce cash expenses by exchanging advertising time for goods or services. In order to maximize cash revenue for our spot inventory, we closely manage the use of trade and barter agreements.

Within our digital segment, Interactive One generates the majority of the Company's digital revenue. Our digital revenue is principally derived from advertising services on non-radio station branded, but Company-owned websites. Advertising services include the sale of banner and sponsorship advertisements. As the Company runs its advertising campaigns, the customer simultaneously receives benefits as impressions are delivered, and revenue is recognized over time. The amount of revenue recognized each month is based on the number of impressions delivered multiplied by the effective per impression unit price, and is equal to the net amount receivable from the customer.

Our cable television segment generates the Company's cable television revenue, and derives its revenue principally from advertising and affiliate revenue. Advertising revenue is derived from the sale of television airtime to advertisers and is recognized when the advertisements are run. Our cable television segment also derives revenue from affiliate fees under the terms of various multi-year affiliation agreements generally based on a per subscriber royalty for the right to distribute the Company's programming under the terms of the distribution contracts.

Reach Media primarily derives its revenue from the sale of advertising in connection with its syndicated radio shows, including the Rickey Smiley Morning Show, the Russ Parr Morning Show and the DL Hughley Show. Reach Media also operates [www.BlackAmericaWeb.com](http://www.BlackAmericaWeb.com), an African-American targeted news and entertainment website, in addition to providing various other event-related activities.

### **Expenses**

Our significant expenses are: (i) employee salaries and commissions; (ii) programming expenses; (iii) marketing and promotional expenses; (iv) rental of premises for office facilities and studios; (v) rental of transmission tower space; (vi) music license royalty fees; and (vii) content amortization. We strive to control these expenses by centralizing certain functions such as finance, accounting, legal, human resources and management information systems and, in certain markets, the programming management function. We also use our multiple stations, market presence and purchasing power to negotiate favorable rates with certain vendors and national representative selling agencies. In addition to salaries and commissions, major expenses for our internet business include membership traffic acquisition costs, software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with internet service provider ("ISP") hosting services and other internet content delivery expenses. Major expenses for our cable television business include content acquisition and amortization, sales and marketing.

We generally incur marketing and promotional expenses to increase and maintain our audiences. However, because Nielsen reports ratings either monthly or quarterly, depending on the particular market, any changed ratings and the effect on advertising revenue tends to lag behind both the reporting of the ratings and the incurrence of advertising and promotional expenditures.

**URBAN ONE, INC. AND SUBSIDIARIES**  
**RESULTS OF OPERATIONS**

The following table summarizes our historical consolidated results of operations:

**Year Ended December 31, 2022 Compared to Year Ended December 31, 2021 (In thousands)**

	Years Ended December 31, 2022	2021 (As Restated)	Increase/(Decrease)	
<b>Statements of Operations:</b>				
Net revenue	\$ 484,604	\$ 440,285	\$ 44,319	10.1 %
Operating expenses:				
Programming and technical, excluding stock-based compensation	122,629	119,072	3,557	3.0
Selling, general and administrative, excluding stock-based compensation	159,991	141,979	18,012	12.7
Corporate selling, general and administrative, excluding stock-based compensation	49,985	50,837	(852)	(1.7)
Stock-based compensation	6,595	565	6,030	1,067.3
Depreciation and amortization	10,034	9,289	745	8.0
Impairment of long-lived assets	40,683	2,104	38,579	1,833.6
Total operating expenses	<u>389,917</u>	<u>323,846</u>	<u>66,071</u>	<u>20.4</u>
Operating income	94,687	116,439	(21,752)	(18.7)
Interest income	939	218	721	330.7
Interest expense	61,751	65,702	(3,951)	(6.0)
(Gain) loss on retirement of debt	(6,718)	6,949	13,667	196.7
Other income, net	(16,083)	(8,134)	7,949	97.7
Income before provision for income taxes and noncontrolling interests in income of subsidiaries	56,676	52,140	4,536	8.7
Provision for income taxes	16,721	13,034	3,687	28.3
Net income	39,955	39,106	849	2.2
Net income attributable to noncontrolling interests	2,626	2,315	311	13.4
Net income attributable to common stockholders	<u>\$ 37,329</u>	<u>\$ 36,791</u>	<u>\$ 538</u>	<u>1.5 %</u>



**Net revenue**

Years Ended December 31,			Increase/(Decrease)	
2022	2021			
		(As Restated)		
\$	484,604	\$	440,285	\$ 44,319 10.1 %

During the year ended December 31, 2022, we recognized approximately \$484.6 million in net revenue compared to approximately \$440.3 million during the year ended December 31, 2021. These amounts are net of agency and outside sales representative commissions. The increase in net revenue was due primarily to increased political advertising revenue, continued mitigation of the economic impacts of the COVID-19 pandemic which began in March 2020, and to increased demand for minority focused media. Net revenues from our radio broadcasting segment increased 11.7% from the same period in 2021. Based on reports prepared by the independent accounting firm Miller, Kaplan, Arase & Co., LLP ("Miller Kaplan"), the radio markets we operate in (excluding Richmond and Raleigh, both of which do not participate in Miller Kaplan) increased 6.7% in total revenues for the year ended December 31, 2022, consisting of an increase of 3.8% in local revenues, an increase of 4.6% in national revenues, and an increase of 17.2% in digital revenues. With the exception of our Richmond and Washington DC markets, we experienced net revenue improvements in all of our radio markets, primarily due to higher advertising sales. Same station net revenue for our radio broadcasting segment, excluding political advertising, increased 2.5% compared to the same period in 2021. Net revenue for our Reach Media segment decreased 7.1% for the year ended December 31, 2022, compared to the same period in 2021, due primarily to our cruise that sailed during the fourth quarter of 2021 which did not occur in 2022. We recognized approximately \$209.9 million from our cable television segment for the year ended December 31, 2022, compared to approximately \$197.0 million of revenue for the same period in 2021, with the increase due primarily to increased advertising sales. Net revenue from our digital segment increased approximately \$18.6 million for the year ended December 31, 2022, compared to the same period in 2021 due primarily to stronger direct revenues.

**Operating expenses**

*Programming and technical, excluding stock-based compensation*

Years Ended December 31,			Increase/(Decrease)	
2022	2021			
\$	122,629	\$	119,072	\$ 3,557 3.0 %

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for the radio segment also include expenses associated with our programming research activities and music royalties. For our digital segment, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. For our cable television segment, programming and technical expenses include expenses associated with technical, programming, production, and content management. The increase in programming and technical expenses for the year ended December 31, 2022, compared to the same period in 2021 is primarily due to higher expenses in our radio broadcasting, Reach Media and digital segments, which was partially offset by a decrease in expenses at our cable television segment. Our radio broadcasting segment experienced an increase of approximately \$2.5 million for the year ended December 31, 2022, compared to the same period in 2021 due primarily to higher compensation costs, contract labor, research and software license fees. Our Reach Media segment experienced an increase of \$787,000 for the year ended December 31, 2022, compared to the same period in 2021 due primarily to higher contract labor costs. Our digital segment experienced an increase of approximately \$3.3 million for the year ended December 31, 2022, compared to the same period in 2021 due primarily to higher compensation expenses, consulting, content expenses and video production costs. Our cable television segment experienced a decrease of approximately \$2.9 million for the year ended December 31, 2022, compared to the same period in 2021 due primarily to lower content amortization expense.

*Selling, general and administrative, excluding stock-based compensation*

Years Ended December 31,		Increase/(Decrease)	
2022	2021		
(As Restated)			
\$ 159,991	\$ 141,979	\$ 18,012	12.7 %

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for the radio broadcasting segment and digital segment include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. The increase in expense for the year ended December 31, 2022, compared to the same period in 2021, is primarily due to higher compensation costs, higher employee commissions and national representative fees due to improved revenue and higher promotional expenses and travel and entertainment spending. Our radio broadcasting segment experienced an increase of approximately \$8.1 million for the year ended December 31, 2022, compared to the same period in 2021 primarily due to higher compensation costs, research and promotional accounts. Our cable television segment experienced an increase of approximately \$5.4 million for the year ended December 31, 2022, compared to the same period in 2021 primarily due to higher promotional and advertising expenses, compensation costs and research expenses. Our digital segment experienced an increase of approximately \$10.7 million for the year ended December 31, 2022 compared to the same period in 2021, primarily due to higher compensation costs, higher traffic acquisition costs and web services fees. Finally, our Reach Media segment experienced a decrease of approximately \$6.0 million for the year ended December 31, 2022, compared to the same period in 2021, primarily due to our cruise that sailed during the fourth quarter of 2021 which did not occur in 2022.

*Corporate selling, general and administrative, excluding stock-based compensation*

Years Ended December 31,		Increase/(Decrease)	
2022	2021		
\$ 49,985	\$ 50,837	\$ (852)	(1.7)%

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel as well as other corporate overhead functions. There was a decrease in professional fees in 2022 related to corporate development activities in connection with potential gaming and other business development activities, which was partially offset by an increase in compensation costs, software license fees, contract labor, recruiting, and travel and entertainment expenses as employee travel returns to pre-pandemic levels.

*Stock-based compensation*

Years Ended December 31,		Increase/(Decrease)	
2022	2021		
\$ 6,595	\$ 565	\$ 6,030	1,067.3 %

The increase in stock-based compensation for the year ended December 31, 2022, compared to the same period in 2021, was primarily due to the timing of grants and vesting of stock awards for executive officers and other management personnel.

*Depreciation and amortization*

Years Ended December 31,		Increase/(Decrease)	
2022	2021		
\$ 10,034	\$ 9,289	\$ 745	8.0 %

Depreciation and amortization expense increased slightly to approximately \$10.0 million for the year ended December 31, 2022, compared to approximately \$9.3 million for the year ended December 31, 2021, due to increased depreciation of capital expenditures.

*Impairment of long-lived assets*

Years Ended December 31,		Increase/(Decrease)	
2022	2021		
	(As Restated)		
\$ 40,683	\$ 2,104	\$ 38,579	1,833.6 %

Throughout 2022, there was continued slowing in certain general economic conditions and a rising interest rate environment, which we deemed to be an impairment indicator that warranted interim impairment testing of certain markets' radio broadcasting licenses. The impairment of long-lived assets for the year ended December 31, 2022, was related to a non-cash impairment charge of approximately \$33.5 million associated with certain of our radio market broadcasting licenses, and approximately \$7.2 million related to our Atlanta and Philadelphia market goodwill balances.

*Interest expense*

Years Ended December 31,		Increase/(Decrease)	
2022	2021		
\$ 61,751	\$ 65,702	\$ (3,951)	(6.0)%

Interest expense decreased to approximately \$61.8 million for the year ended December 31, 2022 compared to approximately \$65.7 million for the year ended December 31, 2021, due to lower overall debt balances outstanding and lower average interest rates on the Company's debt. On January 25, 2021, the Company closed on a new financing in the form of the 2028 Notes. The proceeds from the 2028 Notes were used to repay in full each of: (i) the 2017 Credit Facility; (ii) the 2018 Credit Facility; (iii) the MGM National Harbor Loan; (iv) the remaining amounts of our 7.375% Notes; and (v) our 8.75% Notes that were issued in the November 2020 Exchange Offer. We entered into a PPP loan arrangement in 2021, and during the year ended December 31, 2022, the PPP loan and related accrued interest was forgiven and recorded as other income in the amount of \$7.6 million. During the year ended December 31, 2022, the Company repurchased approximately \$75.0 million of its 2028 Notes at an average price of approximately 89.5% of par. This reduction in the outstanding debt balances led to a reduction in interest expense.

*(Gain) loss on retirement of debt*

Years Ended December 31,		Increase/(Decrease)	
2022	2021		
\$ (6,718)	\$ 6,949	\$ 13,667	196.7 %

As discussed above, the Company repurchased approximately \$75.0 million of its 2028 Notes at an average price of approximately 89.5% of par, resulting in a net gain on retirement of debt of approximately \$6.7 million for the year ended December 31, 2022. Upon settlement of the 2028 Notes Offering, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged. There was a net loss on retirement of debt of approximately \$6.9 million for the year ended December 31, 2021 associated with the settlement of the 2028 Notes.

*Other income, net*

Years Ended December 31,		Increase/(Decrease)	
2022	2021		
\$ (16,083)	\$ (8,134)	\$ 7,949	97.7 %

Other income, net, was approximately \$16.1 million and \$8.1 million for the years ended December 31, 2022 and 2021, respectively. We recognized other income in the amount of approximately \$8.8 million and \$7.7 million, for

the years ended December 31, 2022 and 2021, respectively, related to our MGM investment. In addition, and as noted above, during the year ended December 31, 2022, the PPP loan and related accrued interest was forgiven and recorded as other income in the amount of \$7.6 million.

**Provision for income taxes**

Years Ended December 31,			Increase/(Decrease)	
2022	2021			
	(As Restated)			
\$ 16,721	\$	13,034	\$ 3,687	28.3 %

During the year ended December 31, 2022, the provision for income taxes was approximately \$16.7 million compared to approximately \$13.0 million for the year ended December 31, 2021. The increase in the provision for income taxes was primarily due to higher taxable income and an increase to the Company's effective tax rate during the period. The effective tax rates were 29.5% and 25.0% for the years ended December 31, 2022 and 2021, respectively. The 2022 and 2021 annual effective tax rates primarily reflect taxes at statutory tax rates, and the impact of permanent tax adjustments, including non-taxable PPP Loan income forgiveness for the year ended December 31, 2022.

**Noncontrolling interests in income of subsidiaries**

Years Ended December 31,			Increase/(Decrease)	
2022	2021			
\$ 2,626	\$	2,315	\$ 311	13.4 %

The increase in noncontrolling interests in income of subsidiaries was primarily due to higher net income recognized by Reach Media for the year ended December 31, 2022, versus the same period in 2021.

**Non-GAAP Financial Measures**

The presentation of non-GAAP financial measures is not intended to be considered in isolation from, as a substitute for, or superior to the financial information prepared and presented in accordance with GAAP. We use non-GAAP financial measures including broadcast and digital operating income and Adjusted EBITDA as additional means to evaluate our business and operating results through period-to-period comparisons. Reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures are included below for review. Reliance should not be placed on any single financial measure to evaluate our business.

**Measurement of Performance**

We monitor and evaluate the growth and operational performance of our business using net income and the following key metrics:

(a) *Net revenue*: The performance of an individual radio station or group of radio stations in a particular market is customarily measured by its ability to generate net revenue. Net revenue consists of gross revenue, net of local and national agency and outside sales representative commissions consistent with industry practice. Net revenue is recognized in the period in which advertisements are broadcast. Net revenue also includes advertising aired in exchange for goods and services, which is recorded at fair value, revenue from sponsored events, and other revenue. Net revenue is recognized for our online business as impressions are delivered. Net revenue is recognized for our cable television business as advertisements are run, and during the term of the affiliation agreements at levels appropriate for the most recent subscriber counts reported by the affiliate, net of launch support.

(b) *Broadcast and digital operating income*: The radio broadcasting industry commonly refers to "station operating income" which consists of net income (loss) before depreciation and amortization, income taxes, interest expense, interest income, noncontrolling interests in income of subsidiaries, other (income) expense, corporate selling, general and

administrative expenses, stock-based compensation, impairment of long-lived assets and (gain) loss on retirement of debt. However, given the diverse nature of our business, station operating income is not truly reflective of our multi-media operation and, therefore, we use the term “broadcast and digital operating income.” Broadcast and digital operating income is not a measure of financial performance under accounting principles generally accepted in the United States of America (“GAAP”). Nevertheless, broadcast and digital operating income is a significant measure used by our management to evaluate the operating performance of our core operating segments. Broadcast and digital operating income provides helpful information about our results of operations, apart from expenses associated with our fixed and long-lived intangible assets, income taxes, investments, impairment charges, debt financings and retirements, corporate overhead and stock-based compensation. Our measure of broadcast and digital operating income is similar to industry use of station operating income; however, it reflects our more diverse business and therefore is not completely analogous to “station operating income” or other similarly titled measures as used by other companies. Broadcast and digital operating income does not represent operating income or loss, or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as an alternative to those measurements as an indicator of our performance.

Broadcast and digital operating income increased to approximately \$202.0 million for the year ended December 31, 2022, compared to approximately \$179.2 million for the year ended December 31, 2021, an increase of approximately \$22.8 million or 12.7%. This increase was due to higher broadcast and digital operating income at each of our segments. Our radio broadcasting segment generated approximately \$47.9 million of broadcast and digital operating income during the year ended December 31, 2022, compared to approximately \$42.0 million during the year ended December 31, 2021, an increase of approximately \$5.9 million, primarily due to higher net revenues, partially offset by higher expenses. Reach Media generated approximately \$18.9 million of broadcast and digital operating income during the year ended December 31, 2022, compared to approximately \$17.0 million during the year ended December 31, 2021, primarily due to lower expenses. Our digital segment generated approximately \$21.8 million of broadcast and digital operating income during the year ended December 31, 2022, compared to approximately \$17.2 million during the year ended December 31, 2021, primarily due to an increase in net revenues, partially offset by increased expenses. Finally, our cable television segment generated approximately \$113.4 million of broadcast and digital operating income during the year ended December 31, 2022, compared to approximately \$103.0 million during the year ended December 31, 2021, with the increase primarily due to higher net revenues, partially offset by higher expenses.

(c) *Adjusted EBITDA*: Adjusted EBITDA consists of net income (loss) plus (1) depreciation and amortization, income taxes, interest expense, noncontrolling interests in income of subsidiaries, impairment of long-lived assets, stock-based compensation, (gain) loss on retirement of debt, employment agreement and other compensation, contingent consideration from acquisition, corporate development costs, severance-related costs, investment income, less (2) other income and interest income. Net income before interest income, interest expense, income taxes, depreciation and amortization is commonly referred to in our business as “EBITDA.” Adjusted EBITDA and EBITDA are not measures of financial performance under GAAP. We believe Adjusted EBITDA is often a useful measure of a company’s operating performance and is a significant measure used by our management to evaluate the operating performance of our business. Accordingly, based on the previous description of Adjusted EBITDA, we believe that it provides useful information about the operating performance of our business, apart from the expenses associated with our fixed assets and long-lived intangible assets or capital structure. Adjusted EBITDA is frequently used as one of the measures for comparing businesses in the broadcasting industry, although our measure of Adjusted EBITDA may not be comparable to similarly titled measures of other companies, including, but not limited to the fact that our definition includes the results of all four of our operating segments (radio broadcasting, Reach Media, digital and cable television). Business activities unrelated to these four segments are included in an “all other” category which the Company refers to as “All other - corporate/eliminations.” Adjusted EBITDA and EBITDA do not purport to represent operating income or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as alternatives to those measurements as an indicator of our performance.

**Summary of Performance**

The table below provides a summary of our performance based on the metrics described above:

	Years Ended December 31,	
	2022	2021
	(As Restated)	
	(In thousands)	
Net revenue	\$ 484,604	\$ 440,285
Net income attributable to common stockholders	37,329	36,791
Broadcast and digital operating income	201,984	179,234
Adjusted EBITDA	165,592	150,222

The reconciliation of net income to broadcast and digital operating income is as follows:

	Years Ended December 31,	
	2022	2021
	(As Restated)	
	(In thousands)	
Net income attributable to common stockholders	\$ 37,329	\$ 36,791
Add back non-broadcast and digital operating income items included in net income:		
Interest income	(939)	(218)
Interest expense	61,751	65,702
Provision for income taxes	16,721	13,034
Corporate selling, general and administrative, excluding stock-based compensation	49,985	50,837
Stock-based compensation	6,595	565
(Gain) loss on retirement of debt	(6,718)	6,949
Other income, net	(16,083)	(8,134)
Depreciation and amortization	10,034	9,289
Noncontrolling interests in income of subsidiaries	2,626	2,315
Impairment of long-lived assets	40,683	2,104
Broadcast and digital operating income	\$ 201,984	\$ 179,234

The reconciliation of net income to adjusted EBITDA is as follows:

	Years Ended December 31,	
	2022	2021
		(As Restated)
	(In thousands)	
Net income attributable to common stockholders	\$ 37,329	\$ 36,791
Add back non-broadcast and digital operating income items included in net income:		
Interest income	(939)	(218)
Interest expense	61,751	65,702
Provision for income taxes	16,721	13,034
Depreciation and amortization	10,034	9,289
EBITDA	\$ 124,896	\$ 124,598
Stock-based compensation	6,595	565
(Gain) loss on retirement of debt	(6,718)	6,949
Other income, net	(16,083)	(8,134)
Noncontrolling interests in income of subsidiaries	2,626	2,315
Corporate development costs	1,810	6,727
Employment Agreement Award and other compensation	2,129	6,163
Contingent consideration from acquisition	—	280
Severance-related costs	850	965
Impairment of long-lived assets	40,683	2,104
Investment income from MGM National Harbor	8,804	7,690
Adjusted EBITDA	\$ 165,592	\$ 150,222

## Liquidity and Capital Resources

Our primary source of liquidity is cash provided by operations and, to the extent necessary, borrowings available under our asset-backed credit facility. Our cash, cash equivalents and restricted cash balance is approximately \$95.4 million as of December 31, 2022. As of December 31, 2022, there were no borrowings outstanding on the Current ABL Facility (as defined below).

Since early 2020, the COVID-19 pandemic had a negative impact on certain of our revenue and alternative revenue sources. Most notably, the impacts included a reduction in revenue due to advertisers changing their advertising spend, a change in how people work and commute which affected our overall audience size for broadcast radio, and the postponement of or cancellation of our tent pole special events including impaired or limited ticket sales for such events. In 2022, we have seen revenues begin to recover, particularly in our radio broadcasting segment, aided by the continued economic recovery from the COVID-19 pandemic. However, due to the evolving and uncertain nature of the COVID-19 pandemic and the risk of new variants, we are not able to estimate the full extent of the impact that COVID-19 will have on our business in the near to medium term.

As of December 31, 2022, no amounts were outstanding on our Current ABL Facility (as further defined below). Further, after we refinanced our debt structure in January 2021, we anticipate meeting our debt service requirements and obligations for the foreseeable future, including through one year from the date of issuance of our most recent consolidated financial statements. Our estimates however, remain subject to substantial uncertainty, in particular due to the unpredictable extent and duration of the impact of the COVID-19 pandemic on our business and the economy generally, the possibility of new variants of the coronavirus and the concentration of certain of our revenues in areas that could be deemed “hotspots” for the pandemic.

In August 2020, the Company entered into an arrangement (the “2020 Open Market Sales Agreement”) to sell shares, from time to time, of its Class A common stock, par value \$0.001 per share (the “Class A Shares”). During the year ended December 31, 2020, the Company issued 2,859,276 shares of its Class A Shares at a weighted average price of \$5.39 for approximately \$14.7 million of net proceeds after associated fees and expenses. In January 2021, the Company issued and sold an additional 1,465,826 shares for approximately \$9.3 million of net proceeds after associated fees and expenses, which completed the 2020 Open Market Sales Agreement. Subsequently, in January 2021, the Company entered into an arrangement (the “2021 Open Market Sale Agreement”) to sell additional Class A Shares from time to time. During the three months ended March 31, 2021, the Company issued and sold 420,439 Class A Shares for approximately \$2.8 million of net proceeds after associated fees and expenses. During the three months ended June 30, 2021, the Company issued and sold an additional 1,893,126 Class A Shares for approximately \$21.2 million of net proceeds after associated fees and expenses, which completed its 2021 Open Market Sales Agreement.

On May 17, 2021, the Company entered into an Open Market Sale Agreement (the “Class D Sale Agreement”) under which the Company may offer and sell, from time to time at its sole discretion, shares of its Class D common stock, par value \$0.001 per share (the “Class D Shares”). On May 17, 2021, the Company filed a prospectus supplement pursuant to the Class D Sale Agreement for the offer and sale of its Class D Shares having an aggregate offering price of up to \$25.0 million. As of December 31, 2022, the Company has not sold any Class D Shares under the Class D Sale Agreement. The Company may from time to time also enter into new additional ATM programs and issue additional common stock from time to time under those programs.

During the year ended December 31, 2022, the Company repurchased 4,779,969 shares of Class D common stock in the amount of approximately \$25.0 million at an average price of \$5.24 per share. During the year ended December 31, 2022, the Company executed Stock Vest Tax Repurchases of 344,702 shares of Class D Common Stock in the amount of approximately \$1.5 million at an average price of \$4.29 per share. See Note 13 — *Stockholders' Equity* of our consolidated financial statements for further information on our common stock.

On January 25, 2021, the Company closed on an offering (the “2028 Notes Offering”) of \$825 million in aggregate principal amount of senior secured notes due 2028 (the “2028 Notes”) in a private offering exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”). The 2028 Notes are general senior secured obligations of the Company and are guaranteed on a senior secured basis by certain of the Company’s direct and indirect



restricted subsidiaries. The 2028 Notes mature on February 1, 2028 and interest on the Notes accrues and is payable semi-annually in arrears on February 1 and August 1 of each year, commencing on August 1, 2021 at the rate of 7.375% per annum.

The Company used the net proceeds from the 2028 Notes Offering, together with cash on hand, to repay or redeem: (i) the 2017 Credit Facility; (ii) the 2018 Credit Facility; (iii) the MGM National Harbor Loan; (iv) the remaining amounts of our 7.375% Notes; and (v) our 8.75% Notes that were issued in the November 2020 Exchange Offer. Upon settlement of the 2028 Notes Offering, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged.

The 2028 Notes Offering and the guarantees are secured, subject to permitted liens and except for certain excluded assets (i) on a first priority basis by substantially all of the Company's and the Guarantors' current and future property and assets (other than accounts receivable, cash, deposit accounts, other bank accounts, securities accounts, inventory and related assets that secure our asset-backed revolving credit facility on a first priority basis (the "ABL Priority Collateral")), including the capital stock of each guarantor (collectively, the "Notes Priority Collateral") and (ii) on a second priority basis by the ABL Priority Collateral.

On February 19, 2021, the Company closed on an asset backed credit facility (the "Current ABL Facility"). The Current ABL Facility is governed by a credit agreement by and among the Company, the other borrowers party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent. The Current ABL Facility provides for up to \$50 million revolving loan borrowings in order to provide for the working capital needs and general corporate requirements of the Company. The Current ABL Facility also provides for a letter of credit facility up to \$5 million as a part of the overall \$50 million in capacity. The Asset Backed Senior Credit Facility entered into on April 21, 2016 among the Company, the lenders party thereto from time to time and Wells Fargo Bank National Association, as administrative agent (the "2016 ABL Facility"), was terminated on February 19, 2021. As of December 31, 2022, there were no borrowings outstanding on the Current ABL Facility.

At the Company's election, the interest rate on borrowings under the Current ABL Facility are based on either (i) the then applicable margin relative to Base Rate Loans (as defined in the Current ABL Facility) or (ii) the then applicable margin relative to LIBOR Loans (as defined in the Current ABL Facility) corresponding to the average availability of the Company for the most recently completed fiscal quarter.

Advances under the Current ABL Facility are limited to (a) eighty-five percent (85%) of the amount of Eligible Accounts (as defined in the Current ABL Facility), less the amount, if any, of the Dilution Reserve (as defined in the Current ABL Facility), minus (b) the sum of (i) the Bank Product Reserve (as defined in the Current ABL Facility), plus (ii) the AP and Deferred Revenue Reserve (as defined in the Current ABL Facility), plus (iii) without duplication, the aggregate amount of all other reserves, if any, established by Administrative Agent.

All obligations under the Current ABL Facility are secured by a first priority lien on all (i) deposit accounts (related to accounts receivable), (ii) accounts receivable, and (iii) all other property which constitutes ABL Priority Collateral (as defined in the Current ABL Facility). The obligations are also guaranteed by all material restricted subsidiaries of the Company.

The Current ABL Facility matures on the earlier to occur of (a) the date that is five (5) years from the effective date of the Current ABL Facility, and (b) 91 days prior to the maturity of the Company's 2028 Notes.

The Current ABL Facility is subject to the terms of the Revolver Intercreditor Agreement (as defined in the Current ABL Facility) by and among the Administrative Agent and Wilmington Trust, National Association.

On January 29, 2021, the Company submitted an application for participation in the second round of the Paycheck Protection Program loan program ("PPP") and on June 1, 2021, the Company received proceeds of approximately \$7.5 million. During the quarter ended June 30, 2022, the PPP loan and related accrued interest was forgiven and recorded as other income in the amount of approximately \$7.6 million. Prior to being forgiven, the loan bore interest at a fixed rate of 1% per year and was scheduled to mature June 1, 2026.

During the year ended December 31, 2022, the Company repurchased approximately \$75.0 million of its 2028 Notes at an average price of approximately 89.5% of par. The Company recorded a net gain on retirement of debt of approximately \$6.7 million for the year ended December 31, 2022.

See Note 11 — *Long-Term Debt* of our consolidated financial statements for further information on liquidity and capital resources in the footnotes to the consolidated financial statements.

The following table summarizes the interest rates in effect with respect to our debt as of December 31, 2022:

Type of Debt	Amount Outstanding (In millions)	Applicable Interest Rate
7.375% Senior Secured Notes, net of issuance costs (fixed rate)	\$ 739.0	7.375 %
Asset-backed credit facility (variable rate) (1)	—	—

(1) Subject to variable LIBOR or Prime plus a spread that is incorporated into the applicable interest rate.

The following table provides a summary of our statements of cash flows for the years ended December 31, 2022 and 2021:

	Years Ended December 31,	
	2022	2021
	(In thousands)	
Net cash flows provided by operating activities	\$ 67,060	\$ 80,150
Net cash flows (used in) provided by investing activities	(28,683)	1,714
Net cash flows used in financing activities	(95,216)	(3,504)

Net cash flows provided by operating activities were approximately \$67.1 million and \$80.2 million for the years ended December 31, 2022 and 2021, respectively. Cash flow from operating activities for the year ended December 31, 2022, decreased from the prior year primarily due to timing of payments. Cash flows from operations, cash and cash equivalents, and other sources of liquidity are expected to be available and sufficient to meet foreseeable cash requirements.

Net cash flows used in investing activities were approximately \$28.7 million for the year ended December 31, 2022 and net cash flows provided by investing activities were approximately \$1.7 million for the year ended December 31, 2021. Capital expenditures, including digital tower and transmitter upgrades, and deposits for station equipment and purchases were approximately \$6.8 million and \$6.3 million for the years ended December 31, 2022 and 2021, respectively. The Company received approximately \$3.1 million and \$8.0 million during the years ended December 31, 2022 and 2021, respectively from sales of its broadcasting assets. Finally, the Company paid approximately \$25.0 million to complete the acquisition of broadcasting assets from Emmis Communications as described in Note 4 – *Acquisitions and Dispositions*.

Net cash flows used in financing activities were approximately \$95.2 million and \$3.5 million for the years ended December 31, 2022 and 2021, respectively. During the year ended December 31, 2021, we repaid approximately \$855.2 million in outstanding debt and we borrowed approximately \$825.0 million on our 2028 Notes. During the years ended December 31, 2022 and 2021, we repurchased approximately \$26.5 million and \$970,000 of our Class A and Class D Common Stock, respectively. Reach Media paid approximately \$1.6 million and \$2.4 million, respectively in dividends to noncontrolling interest shareholders for the years ended December 31, 2022 and 2021. The Company also received proceeds of approximately \$7.5 million on its PPP Loan during the year ended December 31, 2021. During the year ended December 31, 2021, we paid approximately \$11.2 million in debt refinancing costs. During the years ended December 31, 2022 and 2021, we received proceeds of \$50,000 and \$397,000, respectively, from the exercise of stock options. The Company received proceeds of approximately \$33.3 million from the issuance of Class A Common Stock, net of fees paid during the years ended December 31, 2021. During the year ended December 31, 2022, the Company repurchased approximately \$67.1 million of our 2028 Notes.

### **Credit Rating Agencies**

On a continuing basis, Standard and Poor's, Moody's Investor Services and other rating agencies may evaluate our indebtedness in order to assign a credit rating. Our corporate credit ratings by Standard & Poor's Rating Services and Moody's Investors Service are speculative-grade and have been downgraded and upgraded at various times during the last several years. Any reductions in our credit ratings could increase our borrowing costs, reduce the availability of financing to us or increase our cost of doing business or otherwise negatively impact our business operations.

### **Recent Accounting Pronouncements**

See Note 3 — *Summary of Significant Accounting Policies* of our consolidated financial statements for a summary of recent accounting pronouncements.

### **CRITICAL ACCOUNTING ESTIMATES**

Our accounting policies are described in Note 3 – *Summary of Significant Accounting Policies* of our consolidated financial statements. We prepare our consolidated financial statements in conformity with GAAP, which require us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. We consider the following policies and estimates to be most critical in understanding the judgments involved in preparing our financial statements and the uncertainties that could affect our results of operations, financial condition and cash flows.

#### ***Goodwill and Radio Broadcasting Licenses***

Goodwill exists whenever the purchase price exceeds the fair value of tangible and identifiable intangible net assets acquired in business combinations. As of December 31, 2022, we had approximately \$488.4 million in broadcast licenses and \$216.6 million in goodwill, which totaled \$705.0 million, and represented approximately 52.7% of our total assets.

The Company accounts for goodwill and broadcasting licenses under ASC Topic 350, *Intangibles – Goodwill and Other*, which requires the Company to test goodwill at the reporting unit level and other indefinite-lived assets for impairment annually or whenever events or circumstances indicate that impairment may exist.

Our annual impairment testing is performed as of October 1 of each year using an income approach. We test the reasonableness of the inputs and outcomes of our discounted cash flow models against available market data by comparing our overall average implied multiple based on our cash flow projections and fair values to recently completed sales transactions for goodwill, and by comparing our estimated fair values to the market capitalization of the Company for both goodwill and broadcasting licenses. The results of these comparisons confirmed that the fair value estimates resulting from our annual assessments in 2022 were reasonable. Impairment exists when the carrying value of these assets exceeds its respective fair value. When the carrying value exceeds fair value, an impairment amount is charged to operations for the excess.

We have 16 reporting units as of our October 2022 annual impairment assessment, consisting of each of the 13 radio markets within the radio segment and each of the other three business segments. Significant impairment charges have been an ongoing trend experienced by media companies in general, and are not unique to us.

We believe our estimate of the value of our radio broadcasting licenses and goodwill is a critical accounting estimate as the value is significant in relation to our total assets, and our estimate of the value uses assumptions that incorporate variables based on past experiences and judgments about future operating performance. Fair value determinations require considerable judgment and are sensitive to changes in underlying assumptions and estimates and market factors. The key assumptions associated with determining the estimated fair value for radio broadcasting licenses include market revenue and projected revenue growth by market, mature market share, mature operating profit margin, terminal growth rate, and

discount rate. The key assumptions associated with determining the estimated fair value for goodwill include revenue growth rates of each radio market, future operating profit margins, terminal growth rate, and the discount rate.

While we believe we have made reasonable estimates and assumptions to calculate the fair values, changes in any one estimate, assumption or a combination of estimates and assumptions, or changes in certain events or circumstances (including uncontrollable events and circumstances resulting from continued deterioration in the economy or credit markets) could require us to assess recoverability of broadcasting licenses and goodwill at times other than our annual October 1 assessments, and could result in changes to our estimated fair values and further write-downs to the carrying values of these assets. Impairment charges are non-cash in nature, and as with current and past impairment charges, any future impairment charges will not impact our cash needs or liquidity or our bank ratio covenant compliance.

We had a total goodwill carrying value of approximately \$216.6 million across 10 of our 16 reporting units as of December 31, 2022. The below table indicates the terminal growth rates assumed in our impairment testing and the terminal growth/decline rates that would result in additional goodwill impairment. However, should our estimates and assumptions for assessing the fair values of the remaining reporting units with goodwill worsen to reflect the below or lower terminal growth/decline rates, additional goodwill impairments may be warranted in the future. For three of the reporting units, we used a step zero qualitative analysis and therefore those reporting units are not included in the table below.

Reporting Unit	Terminal Growth Rate Used	Terminal Growth/(Decline) Rate That Would Result in Carrying Value that is less than Fair Value (a)
2	0.5 %	Impairment not likely
16	0.7 %	Impairment not likely
1	0.8 %	(0.8)%
11	0.6 %	(2.4)%
13	0.5 %	(3.3)%
10	0.8 %	(6.8)%
6	0.6 %	(13.8)%

(a) The terminal growth/(decline) rate that would result in the carrying value of the reporting unit being less than the fair value of the reporting unit applies only to further goodwill impairment and not to any future license impairment that would result from lowering the terminal growth rates used.

We had a total radio broadcasting licenses carrying value of approximately \$488.4 million across 13 of our 16 reporting units as of December 31, 2022. Several of the licenses in our units of accounting have limited or no excess of fair values over their respective carrying values. As set forth in the table below, as of October 1, 2022, which is the Company's annual impairment assessment date, we appraised the radio broadcasting licenses at a fair value of approximately \$562.8 million, which was in excess of the \$488.4 million carrying value by \$74.4 million, or 15.2%. The fair values of the licenses exceeded the carrying values of the licenses for all units of accounting. Should our estimates,

assumptions, or events or circumstances for any upcoming valuations worsen in the units with no or limited fair value cushion, additional license impairments may be needed in the future.

Unit of Accounting (a)	Radio Broadcasting Licenses			
	As of October 1, 2022		Excess	
	Carrying Values ("CV")	Fair Values ("FV")	FV vs. CV	% FV Over CV
	(In thousands)			
Unit of Accounting 2	\$ 3,086	\$ 29,362	\$ 26,276	851.5 %
Unit of Accounting 5	12,792	12,792	—	— %
Unit of Accounting 7	15,223	18,101	2,878	18.9 %
Unit of Accounting 14	17,064	17,279	215	1.3 %
Unit of Accounting 6	22,642	28,604	5,962	26.3 %
Unit of Accounting 12	32,968	33,322	354	1.1 %
Unit of Accounting 11	34,095	37,926	3,831	11.2 %
Unit of Accounting 13	36,500	36,500	—	— %
Unit of Accounting 4	37,224	40,422	3,198	8.6 %
Unit of Accounting 8	48,253	48,253	—	— %
Unit of Accounting 16	54,670	80,039	25,369	46.4 %
Unit of Accounting 1	76,135	82,458	6,323	8.3 %
Unit of Accounting 10	97,767	97,767	—	— %
Total	\$ 488,419	\$ 562,825	\$ 74,406	15.2 %

(a) The units of accounting are not disclosed on a specific market basis so as to not make publicly available sensitive information that could be competitively harmful to the Company.

The following table presents a sensitivity analysis showing the impact on our quantitative annual impairment testing resulting from: (i) a 100 basis point decrease in industry or reporting unit terminal growth rates; (ii) a 100 basis point decrease in operating profit margins; (iii) a 100 basis point increase in the discount rate; and (iv) both a 5% and 10% reduction in the fair values of broadcasting licenses and reporting units.

	Hypothetical Increase in the Recorded Impairment Charge For the Year Ended December 31, 2022	
	Broadcasting Licenses	Goodwill (a)
	(In millions)	
Impairment charge recorded:		
Radio market reporting units	\$ 33.5	\$ 7.2
Hypothetical change for radio market reporting units:		
A 100 basis point decrease in radio industry terminal growth rates	\$ 24.5	\$ —
A 100 basis point decrease in operating profit margin in the projection period	7.6	—
A 100 basis point increase in the applicable discount rate	39.8	0.5
A 5% reduction in the fair value of broadcasting licenses and reporting units	12.2	—
A 10% reduction in the fair value of broadcasting licenses and reporting units	29.5	0.6

(a) Goodwill impairment charge applies only to further goodwill impairment and not to any potential license impairment that could result from changing other assumptions.

See Note 6 – *Goodwill, Radio Broadcasting Licenses and Other Intangible Assets*, of our consolidated financial statements for further discussion.

***Impairment of Intangible Assets Excluding Goodwill, Radio Broadcasting Licenses and Other Indefinite-Lived Intangible Assets***

Intangible assets, excluding goodwill, radio broadcasting licenses and other indefinite-lived intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be fully recoverable. These events or changes in circumstances may include a significant deterioration of operating results, changes in business plans, or changes in anticipated future cash flows. If an impairment indicator is present, we will evaluate recoverability by a comparison of the carrying amount of the asset or group of assets to future undiscounted net cash flows expected to be generated by the asset or group of assets. Assets are grouped at the lowest level for which there is identifiable cash flows that are largely independent of the cash flows generated by other asset groups. If the assets are impaired, the impairment is measured by the amount by which the carrying amount exceeds the fair value of the assets determined by estimates of discounted cash flows. The discount rate used in any estimate of discounted cash flows would be the rate required for a similar investment of like risk. The Company reviewed certain intangibles for impairment during 2022 and 2021 and determined no impairment charges were necessary. Any changes in the valuation estimates and assumptions or changes in certain events or circumstances could result in changes to the estimated fair values of these intangible assets and may result in future write-downs to the carrying values.

***Income Taxes***

To address the exposures of uncertain tax positions, we recognize the impact of a tax position in the financial statements if it is more likely than not that the position would be sustained on examination based on the technical merits of the position. As of December 31, 2022, we had \$688,000 in unrecognized tax benefits. Future outcomes of our tax positions may be more or less than the currently recorded liability, which could result in recording additional taxes, or reversing some portion of the liability and recognizing a tax benefit once it is determined the liability is no longer necessary as potential issues get resolved, or as statutes of limitations in various tax jurisdictions close.

As of each reporting date, management considers new evidence, both positive and negative, that could affect its conclusions regarding the future realization of the Company's deferred tax assets ("DTAs"). During the year ended December 31, 2022, management continues to believe that there is sufficient positive evidence to conclude that it is more likely than not the DTAs are realizable. The assessment to determine the value of the DTAs to be realized under ASC 740 is highly judgmental and requires the consideration of all available positive and negative evidence in evaluating the likelihood of realizing the tax benefit of the DTAs in a future period. Circumstances may change over time such that previous negative evidence no longer exists, and new conditions should be evaluated as positive or negative evidence that could affect the realization of the DTAs. Since the evaluation requires consideration of events that may occur some years into the future, significant judgment is required, and our conclusion could be materially different if certain expectations do not materialize.

As of the year ended December 31, 2022, management continues to weigh the objectively verifiable evidence associated with its cumulative income or loss position over the most recent three-year period. The Company continues to maintain three years of rolling cumulative income since the quarter ended December 31, 2018. Management also considered the cumulative income includes non-deductible pre-tax expenditures that, while included in pre-tax earnings, are not a component of taxable income and therefore are not expected to negatively impact the Company's ability to realize the tax benefit of the DTAs in current or future years.

As part of the 2017 Tax Act, IRC Section 163(j) limits the timing of the tax deduction for interest expense. In conjunction with evaluating and weighing the aforementioned negative and positive evidence from the Company's historical cumulative income or loss position, management also evaluated the impact that interest expense has had on our cumulative income or loss position over the most recent three-year period. A material component of the Company's expenses is interest and has been the primary driver of historical pre-tax losses. As part of our evaluation of positive evidence, management is adjusting for the IRC Section 163(j) interest expense limitation on projected taxable income as

part of developing forecasts of taxable income sufficient to utilize the Company's federal and state net operating losses that are not subject to annual limitation resulting from the 2009 ownership shift as defined under IRC Section 382.

Realization of the Company's DTAs is dependent on generating sufficient taxable income in future periods, and although management believes it is more likely than not future taxable income will be sufficient to realize the DTAs, realization is not assured and future events may cause a change to the judgment of the realizability of the DTAs. If a future event causes management to re-evaluate and conclude that it is not more likely than not, that all or a portion of the DTAs are realizable, the Company would be required to establish a valuation allowance against the assets at that time, which would result in a charge to income tax expense and a decrease to net income in the period which the change of judgment is concluded.

The Company continues to assess potential tax strategies, which if successful, may reduce the impact of the annual limitations and potentially recover NOLs that otherwise would expire before being applied to reduce future income tax liabilities. If successful, the Company may be able to recover additional federal and state NOLs in future periods, which could be material. If we conclude that it is more likely than not that we will be able to realize additional federal and state NOLs, the tax benefit could materially impact future quarterly and annual periods. The federal and state NOLs expire in various years from 2023 to 2039.

#### **Fair Value Measurements**

Prior to and as of the period ended September 30, 2022, the Company accounted for its MGM Investment at cost less impairment under ASC 321, "*Investments – Equity Securities*" ("ASC 321"). In connection with the preparation of its financial statements for the year ended December 31, 2022, the Company identified that the MGM Investment should have been classified as an available-for-sale debt security in accordance with ASC 320, "*Investments – Debt Securities*" ("ASC 320"). As a result, the Company has made adjustments to correct this error. Refer to Note 2 - *Restatement of Financial Statements* for further details.

The MGM Investment is preferred stock that has a non-transferable put right and is classified as an available-for-sale debt security. For the periods restated, the Company considered two models: the dividend discount model and the contractual valuation approach. The Company evaluated the appropriateness of each valuation technique as of each reporting period and ultimately determined that the dividend discount model should be utilized for the periods from the fourth quarter of 2020 up until the third quarter of 2022, based on the facts, circumstances, and information available at the time. The Company estimates the fair value, which is considered to be a Level 3 measurement due to the use of significant unobservable inputs. Significant inputs to the dividend discount model include revenue growth rates, discount rate and a terminal growth rate. During the fourth quarter of 2022, the Company determined that the contractual valuation approach should be utilized, as it believes this more closely approximates the fair value of the investment at that time. This method relies on a contractually agreed upon formula established between the Company and MGM National Harbor as defined in the Second Amended and Restated Operating Agreement of MGM National Harbor, LLC ("the Agreement"), rather than market-based inputs or traditional valuation methods. As defined in the Agreement, the calculation of the put is based on operating results, Enterprise Value and the Put Price Multiple. The inputs used in this measurement technique are specific to the entity, MGM National Harbor, and there are no current observable prices for investments in private companies that are comparable to MGM National Harbor. The inputs used to measure the fair value of this security are classified as Level 3 within the fair value hierarchy.

The Company accounts for an award called for in the CEO's employment agreement (the "Employment Agreement") at fair value. According to the Employment Agreement, executed in April 2008, the CEO is eligible to receive an award (the "Employment Agreement Award") in an amount equal to approximately 4% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company's obligation to pay the award was triggered after the Company recovered the aggregate amount of capital contributions in TV One, and payment is required only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to such invested amount. The long-term portion of the award is recorded in other long-term liabilities and the current portion is recorded in other current liabilities in the consolidated balance sheets. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses if the CEO voluntarily leaves the Company or is terminated for cause. In September 2022, the Compensation Committee of the Board of Directors of the

Company approved terms for a new employment agreement with the CEO, including a renewal of the Employment Agreement Award upon similar terms as in the prior Employment Agreement.

The Company estimated the fair value of the Employment Agreement Award as of December 31, 2022, at approximately \$26.3 million and, accordingly, adjusted the liability to that amount. The fair value estimate incorporated a number of assumptions and estimates, including but not limited to TV One's future financial projections. As the Company will measure changes in the fair value of this award at each reporting period as warranted by certain circumstances, different estimates or assumptions may result in a change to the fair value of the award amount previously recorded.

Redeemable noncontrolling interests are interests in subsidiaries that are redeemable outside of the Company's control either for cash or other assets. These interests are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

The Company assesses the fair value of the redeemable noncontrolling interest in Reach Media as of the end of each reporting period. The fair value of the redeemable noncontrolling interests as of December 31, 2022 and 2021, was approximately \$25.3 million and \$18.7 million, respectively. The determination of fair value incorporated a number of assumptions and estimates including, but not limited to, revenue growth rates, future operating profit margins, discount rate and a terminal growth rate. Different estimates and assumptions may result in a change to the fair value of the redeemable noncontrolling interests amount previously recorded.

#### **Content Assets**

Our cable television segment has entered into contracts to license entertainment programming rights and programs from distributors and producers. The license periods granted in these contracts generally run from one year to five years. Contract payments are typically made in quarterly installments over the terms of the contract period. Each contract is recorded as an asset and a liability at an amount equal to its gross contractual commitment when the license period begins, and the program is available for its first airing. The Company also has programming for which the Company has engaged third parties to develop and produce, and it owns most or all rights (commissioned programming). For programming that is predominantly monetized as part of a content group, such as the Company's commissioned programs, capitalized costs are amortized based on an estimate of our usage and benefit from such programming. The estimates require management's judgement and include consideration of factors such as expected revenues to be derived from the programming and the expected number of future airings, among other factors. The Company's acquired programs' capitalized costs are amortized based on projected usage, generally resulting in a straight-line amortization pattern.

The Company utilizes judgment and prepares analyses to determine the amortization patterns of our content assets. Key assumptions include the categorization of content based on shared characteristics and the use of a quantitative model to predict revenue. For each film group, which the Company defines as a genre, this model takes into account projected viewership which is based on (i) estimated household universe; (ii) ratings; and (iii) expected number of airings across different broadcast time slots.

Management regularly reviews, and revises, when necessary, its total revenue estimates, which may result in a change in the rate of amortization and/or a write down of the asset to fair value. The result of the content amortization analysis is either an accelerated method or a straight-line amortization method over the estimated useful lives of generally one to five years.

Content that is predominantly monetized within a film group is assessed for impairment at the film group level and is tested for impairment if circumstances indicate that the fair value of the content within the film group is less than its unamortized costs. The Company's film groups for commission programming are generally aligned along genre, while the Company's licensed content is considered a separate film group. The Company evaluates the fair value of content at the group level by considering expected future revenue generation using a cash flow analysis when an event or change in circumstances indicates a change in the expected usefulness of the content or that the fair value may be less than unamortized costs. Estimates of future revenues consider historical airing patterns and future plans for airing content,



including any changes in strategy. Given the significant estimates and judgments involved, actual demand or market conditions may be less favorable than those projected, requiring a write-down to fair value. The Company determined there were no impairment indicators evident during the year ended December 31, 2022. For the year ended December 31, 2021, the Company recorded an impairment and additional amortization expense of \$695,000, as a result of evaluating its contracts for impairment. Impairment and amortization of content assets is recorded in the consolidated statements of operations as programming and technical expenses. All commissioned and licensed content is classified as a long-term asset, except for the portion of the unamortized content balance that is expected to be amortized within one year which is classified as a current asset.

Tax incentives that state and local governments offer that are directly measured based on production activities are recorded as reductions in production costs.

## **Capital and Commercial Commitments**

### ***Indebtedness***

As of December 31, 2022, we had approximately \$750.0 million of our 2028 Notes outstanding within our corporate structure. The Company used the net proceeds from the 2028 Notes, together with cash on hand, to repay or redeem: (i) the 2017 Credit Facility; (ii) the 2018 Credit Facility; (iii) the MGM National Harbor Loan; (iv) the remaining amounts of our 7.375% Notes; and (v) our 8.75% Notes that were issued in the November 2020 Exchange Offer. Upon settlement of the 2028 Notes, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged.

See “*Liquidity and Capital Resources*.” See the balances outstanding as of December 31, 2022 in the “Type of Debt” section as part of the “*Liquidity and Capital Resources*” section above.

### ***Lease Obligations***

We have non-cancelable operating leases for office space, studio space, broadcast towers and transmitter facilities that expire over the next nine years.

### ***Operating Contracts and Agreements***

We have other operating contracts and agreements including employment contracts, on-air talent contracts, severance obligations, retention bonuses, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements that expire over the next five years.

### ***Royalty Agreements***

Musical works rights holders, generally songwriters and music publishers, have been traditionally represented by performing rights organizations, such as the American Society of Composers, Authors and Publishers (“ASCAP”), Broadcast Music, Inc. (“BMI”) and SESAC, Inc. (“SESAC”). The market for rights relating to musical works is changing rapidly. Songwriters and music publishers have withdrawn from the traditional performing rights organizations, particularly ASCAP and BMI, and new entities, such as Global Music Rights, Inc. (“GMR”), have been formed to represent rights holders. These organizations negotiate fees with copyright users, collect royalties and distribute them to the rights holders. We currently have arrangements with ASCAP, SESAC and GMR. On April 22, 2020, the Radio Music License Committee (“RMLC”), an industry group which the Company is a part of, and BMI reached agreement on the terms of a new license agreement that covers the period January 1, 2017, through December 31, 2021. Upon approval of the court of the BMI/RMLC agreement, the Company automatically became a party to the agreement and to a license with BMI through December 31, 2021. On April 12, 2022, the RMLC announced that it had reached an interim licensing agreement with BMI. The radio industry’s previous agreement with BMI covering calendar years 2017 to 2021 expired December 31, 2021 (the “2017 Licensing Terms”), but the interim arrangement will keep the 2017 Licensing Terms in place until a new arrangement is agreed upon. The Company is party to the interim arrangement and, therefore, will continue to operate under the 2017 Licensing Terms. On February 7, 2022, the RMLC and GMR reached a settlement and achieved certain

conditions which effectuate a four-year license to which the Company is a party for the period April 1, 2022 to March 31, 2026. The license includes an optional three-year extended term that the Company may effectuate prior to the end of the initial term.

**Reach Media Redeemable Noncontrolling Interests**

Beginning on January 1, 2018, the noncontrolling interest shareholders of Reach Media have had an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares (the "Put Right"). This annual right is exercisable for a 30-day period beginning January 1 of each year. The purchase price for such shares may be paid in cash and/or registered Class D common stock of Urban One, at the discretion of Urban One. The noncontrolling interest shareholders of Reach Media did not exercise their Put Right for the 30-day period ending January 31, 2023. Management, at this time, cannot reasonably determine the period when and if the put right will be exercised by the noncontrolling interest shareholders.

**Contractual Obligations Schedule**

The following table represents our scheduled contractual obligations as of December 31, 2022:

Contractual Obligations	Payments Due by Period					2028 and Beyond	Total
	2023	2024	2025	2026	2027		
	(In thousands)						
7.375% Subordinated Notes (1)	\$ 55,313	\$ 55,313	\$ 55,313	\$ 55,313	\$ 55,313	\$ 754,609	\$ 1,031,174
Other operating contracts/agreements (2)	77,445	36,049	26,164	12,893	3,834	12,959	169,344
Operating lease obligations	11,697	10,690	6,834	4,860	3,417	7,140	44,638
Total	<u>\$ 144,455</u>	<u>\$ 102,052</u>	<u>\$ 88,311</u>	<u>\$ 73,066</u>	<u>\$ 62,564</u>	<u>\$ 774,708</u>	<u>\$ 1,245,156</u>

(1) Includes interest obligations based on effective interest rates on senior secured notes outstanding as of December 31, 2022.

(2) Includes employment contracts (including the Employment Agreement Award), severance obligations, on-air talent contracts, consulting agreements, equipment rental agreements, programming related agreements, launch liability payments, asset-backed credit facility (if applicable) and other general operating agreements. Also includes contracts that our cable television segment has entered into to acquire entertainment programming rights and programs from distributors and producers. These contracts relate to their content assets as well as prepaid programming related agreements.

Of the total amount of other operating contracts and agreements included in the table above, approximately \$96.6 million has not been recorded on the balance sheet as of December 31, 2022, as it does not meet recognition criteria. Approximately \$13.0 million relates to certain commitments for content agreements for our cable television segment, approximately \$38.7 million relates to employment agreements, and the remainder relates to other agreements.

**Off-Balance Sheet Arrangements**

The Company currently is under a letter of credit reimbursement and security agreement with capacity of up to \$1.2 million which expires on October 8, 2024. As of December 31, 2022, the Company had letters of credit totaling \$871,000 under the agreement for certain operating leases and certain insurance policies. Letters of credit issued under the agreement are required to be collateralized with cash. In addition, the Current ABL Facility provides for letter of credit capacity of up to \$5 million subject to certain limitations on availability.

**ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK**

Not required for smaller reporting companies.

**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The consolidated financial statements of Urban One required by this item are filed with this report on Pages F-1 to F-74.

**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

None.

**ITEM 9A. CONTROLS AND PROCEDURES**

**(a) Evaluation of disclosure controls and procedures**

We have carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”), of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms.

In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures are designed to provide a reasonable level of assurance of reaching our desired disclosure controls objectives. Based on this evaluation, our CEO and CFO concluded that as of December 31, 2022, our disclosure controls and procedures were not effective in timely alerting them to material information required to be included in our periodic SEC reports due to the material weaknesses discussed below.

**(b) Management’s report on internal control over financial reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our CEO and CFO, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on criteria established in *Internal Control – Integrated Framework* (2013) published by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

A material weakness is a deficiency, or combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis. Management determined that the Company had the following material weaknesses in its internal control over financial reporting as of December 31, 2022:

*Control Environment, Risk Assessment, and Monitoring* – We did not have appropriately designed entity-level controls impacting the (1) control environment, (2) risk assessment procedures, and (3) monitoring activities to prevent or detect material misstatements to the financial statements and assess whether the components of internal control were present and functioning. These deficiencies were attributed to an insufficient number of qualified resources to effectively operate and oversee internal controls over financial reporting.

*Control Activities* – Management has determined that the Company did not have adequate selection and development of effective control activities resulting in the following material weaknesses:

- Management did not design and maintain effective information technology general controls in the areas of user access and program change management for certain information technology systems that support the Company's financial reporting and other processes. This material weakness also resulted in segregation of duties conflicts for certain user roles.
- Management did not design and maintain effective controls to support proper segregation of duties relating to the review of manual journal entries.
- Management did not design and maintain effective review controls over revenue, income taxes, content assets, launch assets, the preparation of the statements of cash flows, and certain financial statement disclosures with an appropriate level of precision to detect a material misstatement.
- Management did not design and maintain effective review controls over the accounting and disclosures related to the investment in MGM National Harbor. This material weakness resulted in a restatement as disclosed in Note 2 and Note 17 to the annual financial statements as of and for the period ended December 31, 2022.
- As previously reported, management did not design and maintain effective controls over the completeness and accuracy of the balances of its radio broadcasting licenses, goodwill and related accounts. Specifically, the Company's monitoring and control activities related to review of key third-party reports and assumptions used in the valuation of its radio broadcasting licenses, goodwill and related accounts were not operating effectively.

The Company's independent registered public accounting firm is engaged to express an opinion on our internal control over financial reporting, as stated in its report which is included in Part IV, Item 15 of this Form 10-K under the caption "Reports of Independent Registered Public Accounting Firm."

#### **Plans for Remediation**

Management is committed to the remediation of the material weaknesses described above, as well as the continued improvement of the Company's internal control over financial reporting. Management has implemented and continues to implement measures designed to ensure that control deficiencies contributing to the material weaknesses are remediated, such that these controls are designed, implemented and operating effectively. Specifically, we are:

- Hiring additional accounting personnel and implementing training of new and existing personnel on proper execution of designed control procedures;
- Engaging external resources with the appropriate depth of expertise to support the redesign of certain control procedures;
- Designing, implementing and documenting enhanced controls, policies, and procedures with an appropriate level of precision to detect a material misstatement, and to retain sufficient documentation to support the operating effectiveness of the controls. Our control enhancement procedures will include:

- o Modifying our journal entry process and system role configuration to establish a formal hierarchy of review of journal entries in order to enforce proper segregation of duties;
- o increasing the precision and specificity of our control activities, addressing completeness and accuracy of the information used in performing management review controls, as well as documenting sufficient evidence of management's review supporting its conclusions; and
- o redesigning information technology general controls across in-scope systems related to user access and change management.

Management will design and test the operating effectiveness of the newly implemented controls in future periods. The material weaknesses will not be considered remediated, however, until the applicable controls operate for a sufficient period of time and management has concluded, through testing, that these controls are operating effectively.

**(c) Changes in internal control over financial reporting**

Except for the material weaknesses described above, there were no changes in our internal control over financial reporting during the quarter ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**ITEM 9B. OTHER INFORMATION**

None.

**PART III**

**ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT**

The following table provides certain biographical information about the members of the Company's board of directors. Presently, there are six members of the board of directors, four of whom are neither officers nor employees of Radio One. The board of directors is divided into two classes, Class A, of which there are two directors, and Class B, of which there are four directors. Two Class A directors, Terry L. Jones, and Brian W. McNeill were elected at the 2022 annual meeting to serve until the 2023 annual meeting. To be elected, each Class A director must have received the affirmative vote of a plurality of the votes cast by the holders of the Class A common stock. Four Class B directors were elected at the 2022 annual meeting, by the holders of Class A common stock and Class B common stock voting together, to serve until the 2023 annual meeting. The Class B directors are Catherine L. Hughes, Alfred C. Liggins, III, D. Geoffrey Armstrong and B. Doyle Mitchell, Jr. To be elected, each of the four Class B directors must have received the affirmative vote of a plurality of the votes cast by all stockholders entitled to vote. There is no cumulative voting for the board of directors.

Terry L. Jones  
Director since 1995  
Age: 76  
Class A Director

Mr. Jones is the Managing Member of the General Partner of Syndicated Communications Venture Partners V, L.P. and the Managing Member of Syncom Venture Management Co., LLC ("Syncom"). Prior to joining Syncom in 1978, he was co-founding stockholder and Vice President of Kiambere Savings and Loan in Nairobi, and a Lecturer at the University of Nairobi. He also worked as a Senior Electrical Engineer for Westinghouse Aerospace and Litton Industries. He is a member of the Board of Directors for several Syncom portfolio companies, including Urban One, Inc. He formerly served on the board of the Southern African Enterprise Development Fund, a presidential appointment, and is on the Board of Trustees of Spelman College. Mr. Jones received a B.S. degree in Electrical Engineering from Trinity College, an M.S. degree in Electrical Engineering from George Washington University and a Masters of Business Administration from Harvard University. During the last ten years, Mr. Jones has sat on the boards of directors of TV One, LLC, Iridium Communications, Inc., a publicly held company ("Iridium"), PKS Communications, Inc., a publicly held company, Weather Decisions Technology, Inc., V-me, Inc., Syncom and Verified Identity Pass, Inc. He currently serves on the Board of Directors of Iridium (2001 to present), Syncom and Cyber Digital, Inc., a publicly held company. Mr. Jones' qualifications to serve as a director include his knowledge of Urban

One, his many years of senior management experience at various public and private media enterprises, and his ability to provide insight into a number of areas including governance, executive compensation, and corporate finance.

Brian W. McNeill  
Director since 1995  
Age: 67  
Class A Director

Mr. McNeill is a founder and Managing General Partner of Alta Communications. He specializes in identifying and managing investments in the traditional sectors of the media industry, including radio and television broadcasting, outdoor advertising and other advertising-based or cash flow-based businesses. Over the last five years, Mr. McNeill has served on the Board of Directors of some of the most significant companies in the radio and television industries including Una Vez Mas, Millennium Radio Group, LLC and NextMedia Investors LLC. He joined Burr, Egan, Deleage & Co. as a general partner in 1986, where he focused on the media and communications industries. Previously, Mr. McNeill formed and managed the Broadcasting Lending Division at the Bank of Boston. He received an MBA from the Amos Tuck School of Business Administration at Dartmouth College and graduated magna cum laude with a degree in economics from the College of the Holy Cross. Mr. McNeill's qualifications to serve as a director include his knowledge of Urban One, the media industry and the financial markets, and his ability to provide input into a number of areas including governance, executive compensation, and corporate finance. His service on the boards of directors of various other media companies also is beneficial to Urban One.

Catherine L. Hughes  
Chairperson of the Board and  
Secretary  
Director since 1980  
Age: 76  
Class B Director

Ms. Hughes has been Chairperson of the Board and Secretary of Urban One since 1980 and was Chief Executive Officer of Urban One from 1980 to 1997. Since 1980, Ms. Hughes has worked in various capacities for Urban One including President, General Manager, General Sales Manager and talk show host. She began her career in radio as General Sales Manager of WHUR-FM, the Howard University-owned, urban-contemporary radio station. Ms. Hughes is the mother of Mr. Liggins, Urban One's Chief Executive Officer, Treasurer, President, and a Director. Over the last ten years, Ms. Hughes has sat on the boards of directors of numerous organizations including Broadcast Music, Inc., and Piney Woods High School. During that period, she also has sat on an advisory board for Wal-Mart Stores, Inc., a publicly held company. Ms. Hughes' qualifications to serve as a director include her being the founder of Urban One, her over 30 years of operational experience with the Company and her unique status within the African American community. Her service on other boards of directors and advisory boards is also beneficial to Urban One.

Alfred C. Liggins, III  
Chief Executive Officer,  
President, and Treasurer  
Director since 1989  
Age: 58  
Class B Director

Mr. Liggins has been Chief Executive Officer ("CEO") of Urban One since 1997 and President since 1989. Mr. Liggins joined Urban One in 1985 as an account manager at WOL-AM. In 1987, he was promoted to General Sales Manager and promoted again in 1988 to General Manager overseeing Urban One's Washington, DC operations. After becoming President, Mr. Liggins engineered Urban One's expansion into new markets. Mr. Liggins is a graduate of the Wharton School of Business Executive MBA Program. Mr. Liggins is the son of Ms. Hughes, Urban One's Chairperson, Secretary, and a Director. Over the last ten years, Mr. Liggins has sat on the boards of directors of numerous organizations including the Apollo Theater Foundation, Reach Media, The Boys & Girls Clubs of America, The Ibiqity Corporation, the National Association of Black Owned Broadcasters, and the National Association of Broadcasters. Mr. Liggins' qualifications to serve as a director include his over 25 years of operational experience with the Company in various capacities, including his nationally recognized expertise in the entertainment and media industries.

B. Doyle Mitchell  
Director since 2020  
Age: 61

Mr. Mitchell is President and CEO of Industrial Bank, N.A., headquartered in Washington, DC. He was elected to the Board of Directors of Industrial Bank, N.A. in 1990 and has been President since 1993. Mr. Mitchell previously served on Urban One's

Class B Director	Board from 2008 to 2011 and he currently serves on several boards including the board of the National Bankers Association, which represents the nation's minority banks. Mr. Mitchell served two consecutive terms as Chairman of the NBA board and continues to serve as Treasurer. Mr. Mitchell also serves on the Independent Community Bankers of America Legislative Issues Committee, and he is a former member of the ICBA Safety and Soundness Committee. Mr. Mitchell's qualifications to serve as a director include his prior knowledge of Urban One, the media industry and the financial markets, and his ability to provide input into a number of areas including governance, executive compensation, and corporate finance.
D. Geoffrey Armstrong Director since 2001 Age: 66 Class B Director	Mr. Armstrong is Chief Executive Officer of 310 Partners, a private investment firm. From March 1999 through September 2000, Mr. Armstrong was the Chief Financial Officer of AMFM, which was publicly traded on the New York Stock Exchange until it was purchased by Clear Channel Communications in September 2000. From June 1998 to February 1999, Mr. Armstrong was Chief Operating Officer and a director of Capstar Broadcasting Corporation, which merged with AMFM in July 1999. Mr. Armstrong was a founder of SFX Broadcasting, which went public in 1993, and subsequently served as Chief Financial Officer, Chief Operating Officer and a director until the company was sold in 1998 to AMFM. Mr. Armstrong has served as a director of Nextstar Media Group, Inc. since 2003. Mr. Armstrong has also served on the board of directors of SFXii Entertainment, Capstar Broadcasting Corporation, AMFM and SFX Broadcasting. Mr. Armstrong brings to Urban One's Board of Directors his extensive experience as the Chief Executive Officer of several publicly traded companies in the broadcast and communications industry, as well as a member of the audit committee of several publicly traded companies. His service on the boards of public companies in diverse industries allows him to offer a broad perspective on corporate governance, risk management and operating issues facing corporations today.

#### **Controlled Company Exemption**

We are a "controlled company" within the meaning of Rule 5615(c)(1) of the NASDAQ Listing Rules, because more than 50% of our voting power is held by Catherine L. Hughes, our Chairperson of the Board and Secretary, and Alfred C. Liggins, III, our CEO and President. See "*Security Ownership of Beneficial Owners and Management*" below. Therefore, we are not subject to NASDAQ Stock Market listing rules that would otherwise require us to have: (i) a majority of independent directors on the board; (ii) a compensation committee composed solely of independent directors; (iii) a nominating committee composed solely of independent directors; (iv) compensation of our executive officers determined by a majority of the independent directors or a compensation committee composed solely of independent directors; and (v) director nominees selected, or recommended for the board's selection, either by a majority of the independent directors or a nominating committee composed solely of independent directors.

#### **Board Leadership Structure**

Ms. Hughes has been Chairperson of the Board of Directors since 1980. Since the appointment of Mr. Liggins as CEO in 1997, the roles of Chairperson of the Board and CEO have been separate. We believe it is the CEO's responsibility to run the Company and the Chairperson's responsibility to run the Board of Directors. By having Ms. Hughes serve as Chairperson of the Board, Mr. Liggins is better able to focus on running the day-to-day operations of the Company. Bifurcating the roles enables non-management Directors to raise issues and concerns for Board consideration without immediately involving the CEO. The Chairperson or lead Director also serves as a liaison between the Board and senior management and also provides further vision as to the strategic direction of the Company. Finally, the Board has a third leadership position in the Chairmen of our Audit Committee. As discussed below, our Audit Committee is comprised of three independent directors. The Audit Committee is responsible for oversight of the quality and integrity of the accounting, auditing, and reporting practices of Urban One and for the Company's risk management. The Chair of the

Audit Committee effectively serves as a “check” on both the Chairperson and the CEO by representing a strong outside presence with significant financial and business experience.

The Board of Directors believes that the appropriate leadership structure should be based on the needs and circumstances of the Board, the Company and its stockholders at a given point in time, and that the Board should remain adaptable to shaping the leadership structure as those needs change in the future.

#### **Communication with the Board**

Our stockholders may communicate directly with the Board of Directors. All communications should be in written form and directed to Urban One’s Assistant Secretary at the following address:

Assistant Secretary  
Urban One, Inc.  
1010 Wayne Avenue, 14th Floor  
Silver Spring, Maryland 20910

Communications should be enclosed in a sealed envelope that prominently indicates that it is intended for Urban One’s Board of Directors. Each communication intended for Urban One’s Board of Directors and received by the Assistant Secretary that is related to the operation of Urban One and is relevant to the director’s service on the board shall be forwarded to the specified party following its clearance through normal review and appropriate security procedures.

#### **Committees of the Board of Directors**

The board has a standing audit committee, compensation committee and nominating committee.

##### *Audit Committee*

The audit committee consists of D. Geoffrey Armstrong, Brian W. McNeill, Terry L. Jones, and B. Doyle Mitchell, each of whom satisfies the requirements for audit committee membership under the listing standards of the NASDAQ Stock Market. Each of the audit committee members is an “independent director,” as that term is defined in Rule 5605(a)(2) of the NASDAQ Listing Rules. The Board of Directors has determined that each of Mr. Armstrong, Mr. McNeill, Mr. Jones, and Mr. Mitchell qualify as “audit committee financial experts,” as defined by Item 401(h) of Regulation S-K of the Securities Act of 1933. The board has adopted a written audit committee charter, which is available on our website at <https://urban1.com/urban-one-investor-relations/>. The audit committee met five times during the calendar year ended December 31, 2022, and acted once time by written consent.

The audit committee is responsible for oversight of the quality and integrity of the accounting, auditing, and reporting practices of Urban One, and as part of this responsibility the audit committee:

- selects our independent registered public accounting firm;
- reviews the services performed by our independent registered public accounting firm, including non-audit services, if any;
- reviews the scope and results of the annual audit;
- reviews the adequacy of the system of internal accounting controls and internal control over financial reporting;
- reviews and discusses the financial statements and accounting policies with management and our independent registered public accounting firm;



- reviews the performance and fees of our independent registered public accounting firm;
- reviews the independence of our independent registered public accounting firm;
- reviews the audit committee charter; and
- reviews related party transactions, if any.

The audit committee also oversees Urban One's risk policies and processes relating to the financial statements and financial reporting processes, as well as key credit liquidity risks, market risks and compliance, and the guidelines, policies and processes for monitoring and mitigating those risks.

#### *Compensation Committee*

Our compensation committee consists of Terry L. Jones, Brian W. McNeill, D. Geoffrey Armstrong, and B. Doyle Mitchell. The compensation committee met onetime during the calendar year ended December 31, 2022, and acted once by written consent. The board has adopted a revised written compensation committee charter. The functions of the compensation committee include:

- reviewing and approving the salaries, bonuses, and other compensation of our executive officers, including stock options or restricted stock grants;
- establishing and reviewing policies regarding executive officer compensation and perquisites; and
- performing such other duties as shall from time to time be delegated by the board.

#### *Nominating Committee*

Our nominating committee consists of Alfred C. Liggins, III, Catherine L. Hughes, Terry L. Jones, and Brian W. McNeill. The nominating committee is responsible for recommending the criteria for selection of board members and assisting the board in identifying candidates. The nominating committee acted once by written consent during the calendar year ended December 31, 2022. The nominating committee does not have a charter.

The nominating committee reviews the qualifications of all persons recommended by stockholders as nominees to the Board of Directors to determine whether the recommended nominees will make good candidates for consideration for membership on the board. The nominating committee has not established specific minimum qualifications for recommended nominees. However, as a matter of practice, the nominating committee evaluates recommended nominees for directors based on their integrity, judgment, independence, financial and business acumen, relevant experience, and their ability to act on behalf of all stockholders, as well as meet the needs of the Board of Directors, including the need to have a diversity of perspective. In the consideration of diversity of perspective, the nominating committee is most concerned with finding nominees that counter any perceived weaknesses in board composition. Such weaknesses may include weaknesses in perspective based upon race, sex, gender identification, skill sets and industry insight particularly as the Company diversifies its business. Following such evaluation, the nominating committee will make recommendations for director membership and review the recommendations with the Board of Directors, which will decide whether to invite the candidate to be a nominee for election to the board. Nominees are not discriminated against on the basis of race, religion, national origin, sex, sexual orientation, disability, or any other basis proscribed by law. The nominating committee recommended to the board that the incumbent directors, be nominated for re-election to the board at the 2023 annual meeting.

#### **Code of Ethics**

We have adopted a code of ethics that applies to all of our directors, officers and employees and meets the requirements of the rules of the SEC and the NASDAQ Stock Market. The code of ethics is available on our website, [www.urban1.com](http://www.urban1.com),

or can be obtained without charge by written request to Assistant Secretary, Urban One, Inc., 14th Floor, 1010 Wayne Avenue, Silver Spring, Maryland 20910. We do not anticipate making material amendments to or waivers from the provisions of the code of ethics. If we make any material amendments to our code of ethics, or if our Board of Directors grants any waiver from a provision thereof to our executive officers or directors, we will disclose the nature of such amendment or waiver, the name of the person(s) to whom the waiver was granted and the date of the amendment or waiver in a current report on Form 8-K.

**Environmental, Social and Governance Matters**

We recognize the importance of environmental, social and governance (“ESG”) matters in governance and in creating and sustaining long-term stockholder value. Given our long-lasting commitment to our stockholders and the communities we serve, we have invested heavily in our operations to ensure that they are conducted in a socially responsible manner. To provide accountability and transparency for our stakeholders, we will provide annual updates to our ESG disclosures.

**Environmental**

Within our operations, we strive toward our commitment to sustainability through building efficiency measures, use of environmentally friendly supplies, office recycling programs, and sustainable business practices at our consumer facing events. As a company primary focused on broadcasting and online content, our carbon footprint is reasonably light. However, we recognize that all companies have a role to play in protecting the environment and in environmental sustainability. Further, we recognize that the collective small efforts of each individual can have a much larger aggregate impact on the world around us. Therefore, we are actively seeking ways to reduce energy consumption and waste.

**Diversity and Inclusion**

As a business founded by an African American woman, diversity and inclusion is engrained in our corporate history. Our Board of Directors is diverse; Catherine L. Hughes, our Founder and Chairperson, is an African American woman, and four of our six directors are minorities. Our President and Chief Executive Officer, who is also a director, Alfred C. Liggins, III is an African American male, as is our Senior Vice President and General Counsel, Kristopher Simpson. Further, Karen Wishart, our Executive Vice President, and Chief Administrative Officer, is an African American woman, as is Michelle Rice, President of TV ONE. As of December 31, 2022, 74% of our employees were racially diverse, and 46% of our employees were women. We are proud that our organization is governed and propelled by such a diverse group of individuals, which we believe contributes to our Company’s success now, and in the long-term.

Our senior leadership team has introduced various initiatives to ensure that our Company remains inclusive and supportive for all, including: (i) conducting workplace training, which includes focuses on unconscious bias, discrimination and harassment; (ii) leveraging a diverse slate of candidates for all job vacancies, including senior leadership; and (iii) developing content across our multi-media platform that elevates the voice of minority communities to foster equality and inclusion in both the entertainment industry and across the nation.

**Board Diversity**

As a listed company, our Company is required by Nasdaq to disclose certain self-identified diversity characteristics. Companies are required to provide a board diversity matrix at least once per year to disclose the voluntary self-identification of each member of the company’s board of directors. The below matrix provides our Board’s voluntary self-identification as of May 19, 2023.

Board Diversity Matrix (As of May 19, 2023)				
<b>Total Number of Directors</b>	<b>6</b>			
	<b>Female</b>	<b>Male</b>	<b>Non-Binary</b>	<b>Did Not Disclose Gender</b>

<b>Part I: Gender Identity</b>				
Directors	<b>1</b>	<b>5</b>	-	-
<b>Part II: Demographic Background</b>				
African American or Black	<b>1</b>	<b>3</b>	-	-
Alaskan Native or Native American	-	-	-	-
Asian	-	-	-	-
Hispanic or Latinx	-	-	-	-
Native Hawaiian or Pacific Islander	-	-	-	-
White	-	<b>2</b>	-	-
Two or More Races or Ethnicities	-	-	-	-
LGBTQ+	-			
Did Not Disclose Demographic Background	-			

**Corporate Citizenship**

*The following Report on Corporate Citizenship at Urban One shall not be deemed incorporated by reference by any general statement incorporating by reference this Proxy Statement into any filing under the Securities Act of 1933, as amended, or under the Exchange Act, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under such Acts.*

While the Company's national presence through its on-air radio, television and digital talent is undeniable, our focus on corporate citizenship and local community impact is one of our most notable accomplishments. Following the model established by Cathy Hughes, the Company maintains a philanthropic footprint for each community served within its various markets. We maintain a strong focus on the local communities that we serve. Our on-air talent and staff are vested in providing information resources and solutions to the community. We actively engage with a myriad of community partners' help to provide career fairs, food drives, back to school programs, voter registration drives, health fairs, and other worthwhile initiatives as part of the Company's community service efforts. From employment assistance and financial literacy to educational services and voter registration, they seek to make a difference each day, hosting ongoing events throughout the year.

Specific examples during the 2022 calendar year included or during the 2023 calendar year will include:

- The Annual "Urban Radio Cares for St. Jude Kids" fundraising broadcast to support patients battling cancer and other life-threatening diseases at St. Jude Children's Research Hospital.
- The 2022 Urban One Honors Award Show themed, "The Soundtrack of Black America." The Urban One Honors herald the accomplishments of African Americans who have made extraordinary contributions in entertainment, media, music, education, and the community.
- Radio One Atlanta Radio hosted Repack the Backpack where listeners with school age kids received school supplies for the second half of the school year.
- Radio One Atlanta hosted the Black Radio United for the Vote Town Hall to mobilize voter registration and educate listeners about the voting process in advance of the November elections with candidates speaking to the community about their platform and plan.
- Radio One Baltimore hosted the AFRAM Festival - Baltimore's festival of African American music and culture has been a regional tradition for more than 30 years.
- Radio One Charlotte supported the 20th Annual Street Turkeys, in conjunction with Second Harvest Food Bank of Metrolina and Loaves & Fishes on November 23, 2022.

- Radio One Charlotte in conjunction with the Mecklenburg County Sheriff's Office of Community Engagement executed the 3rd Annual Holiday Toy Drive benefiting 287 children and 75 families.
- Radio One Cincinnati created and hosted its back-to-school Sneaker Drive Collection and Distribution.
- Radio One Cleveland hosted "A Good Thanksgiving" and provided 1,000 turkeys for families in need on Thanksgiving Day.
- Radio One Dallas sponsored the Walk For Freedom an event created by Opal Lee, considered the Grandmother of Juneteenth. Radio One Dallas supported the annual Juneteenth Walk with public service announcement, an onsite presence and by conducting interviews with Opal Lee to promote her various Juneteenth events.
- Radio One Houston participated in the Susan G. Komen Race for the Cure Walk and sponsored the Original Martin Luther King Jr. Parade and Celebration.
- Radio One Indianapolis raised over \$270,000 for the local community in the Salvation Army Radiothon.
- Radio One Philadelphia sponsored the Puerto Rican Day Parade and Fiesta in Partnership with El Concilio – a non-profit organization that helps all communities with initiatives such as adoption.
- Radio One Philadelphia sponsored a Juneteenth Parade and festival at Malcolm X Park, a free event sponsored by the City of Philadelphia with over 20,000 in attendance.
- Radio One Raleigh sponsored the "Putters, Pinwheels, and Pearls" Fundraising Gala to benefit the Exchange Family Center, a non-profit organization based in Durham North Carolina that provides services that help prevent child abuse and neglect.
- Radio One Raleigh sponsored the "Gift For Life Block Walk" in partnership with Raleigh Parks . The event included distribution of breast health information, community resources vendors, free 3-D mammograms, giveaways, line dancing, and free refreshments for attendees.
- Radio One Washington teamed with Alpha Kappa Alpha Sorority, Inc. for the MLK Day Food Donation Drive to collect canned goods to various shelters in Southeast, Washington, D.C.
- Radio One Washington sponsored Prince George's County, Maryland's Growing Green with Pride Cleanup. The event supports the county's beautification initiative to make the community cleaner by conducting individual community litter collection events, demonstrating a shared commitment to keeping communities appealing and attractive.

These programs indicate the level of support Urban One stations provide to local communities and demonstrate the level of support reciprocated by their loyal listeners and content consumers.

#### **Stockholder Submissions**

For a stockholder to submit a candidate for the board to be considered by the nominating committee, a stockholder must notify Urban One's Assistant Secretary. To make a recommendation for director nomination in advance of the 2024 annual meeting of Urban One, a stockholder must notify Urban One's Assistant Secretary in writing no later than January 1, 2024, the date that is expected to be approximately 120 days prior to the mailing of the proxy statement for the 2024 annual meeting of stockholders. Notices should be sent to:

Assistant Secretary  
Urban One, Inc.  
1010 Wayne Avenue, 14th Floor  
Silver Spring, Maryland 20910

All notices must include all information relating to the stockholder and the proposed nominee that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for elections of directors under the proxy rules of the United States Securities Exchange Commission.

## EXECUTIVE OFFICERS

In the table below we set forth certain information on those persons currently serving as our executive officers.

Catherine L. Hughes Chairperson of the Board and Secretary Director since 1980 Age: 76	Ms. Hughes has been Chairperson of the Board and Secretary of Urban One since 1980 and was Chief Executive Officer of Urban One from 1980 to 1997. Since 1980, Ms. Hughes has worked in various capacities for Urban One including President, General Manager, General Sales Manager and talk show host. She began her career in radio as General Sales Manager of WHUR-FM, the Howard University-owned, urban-contemporary radio station. Ms. Hughes is the mother of Mr. Liggins, Urban One's Chief Executive Officer, Treasurer, President, and a Director. Over the last ten years, Ms. Hughes has sat on the boards of directors of numerous organizations including Broadcast Music, Inc., and Piney Woods High School. During that period, she also has sat on an advisory board for Wal-Mart Stores, Inc., a publicly held company. Ms. Hughes' qualifications to serve as a director include her being the founder of Urban One, her over 30 years of operational experience with the Company and her unique status within the African American community. Her service on other boards of directors and advisory boards is also beneficial to Urban One.
Alfred C. Liggins, III Chief Executive Officer, President, and Treasurer Director since 1989 Age: 58	Mr. Liggins has been Chief Executive Officer ("CEO") of Urban One since 1997 and President since 1989. Mr. Liggins joined Urban One in 1985 as an account manager at WOL-AM. In 1987, he was promoted to General Sales Manager and promoted again in 1988 to General Manager overseeing Urban One's Washington, DC operations. After becoming President, Mr. Liggins engineered Urban One's expansion into new markets. Mr. Liggins is a graduate of the Wharton School of Business Executive MBA Program. Mr. Liggins is the son of Ms. Hughes, Urban One's Chairperson, Secretary, and a Director. Over the last ten years, Mr. Liggins has sat on the boards of directors of numerous organizations including the Apollo Theater Foundation, Reach Media, The Boys & Girls Clubs of America, The Ibiqity Corporation, the National Association of Black Owned Broadcasters, and the National Association of Broadcasters. Mr. Liggins' qualifications to serve as a director include his over 25 years of operational experience with the Company in various capacities, including his nationally recognized expertise in the entertainment and media industries.
Peter D. Thompson Executive Vice President and Chief Financial Officer Age: 58	Mr. Thompson has been Chief Financial Officer ("CFO") of Urban One since February 2008. Mr. Thompson joined the Company in October 2007 as the Company's Executive Vice President of Business Development. Prior to working with the Company, Mr. Thompson spent 13 years at Universal Music in the United Kingdom, including five years serving as CFO. Prior to that he spent four years working in public accounting at KPMG in London, where he qualified as a Chartered Accountant.

## Code of Ethics

We have adopted a code of ethics that applies to all our directors, officers and employees and meets the requirements of the rules of the SEC and the NASDAQ Stock Market. The code of ethics is available on our website, [www.urban1.com](http://www.urban1.com), or can be obtained without charge by written request to Assistant Secretary, Urban One, Inc., 14th Floor, 1010 Wayne Avenue, Silver Spring, Maryland 20910. We do not anticipate making material amendments to or waivers from the provisions of the code of ethics. If we make any material amendments to our code of ethics, or if our Board of Directors grants any waiver from a provision thereof to our executive officers or directors, we will disclose the nature of such amendment or waiver, the name of the person(s) to whom the waiver was granted and the date of the amendment or waiver in a current report on Form 8-K.

## SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires Radio One's directors and executive officers and persons who beneficially own more than ten percent of our common stock to file with the Securities and Exchange Commission ("SEC") reports showing ownership and changes in ownership of our common stock and other equity securities. On the basis of reports and representations submitted by Radio One's directors, executive officers, and greater than ten percent owners, we believe that all required Section 16(a) filings for the fiscal year ended December 31, 2022, were timely made.

### ITEM 11. EXECUTIVE COMPENSATION

#### COMPENSATION DISCUSSION AND ANALYSIS

##### Compensation Policies and Philosophy

The overall objective of our compensation to our executives is to attract, motivate, retain, and reward the top-quality management that we need to operate successfully and meet our strategic objectives, including our diversification into a broader multi-media company. To achieve this, we aim to provide a performance-based compensation package that is competitive in the markets and industries in which we compete for talent, provides rewards for achieving financial, operational, and strategic performance goals, and aligns executives' financial interests with those of our shareholders.

We operate in the intensely competitive media industry, which is characterized by rapidly changing technology, evolving industry standards, frequent introduction of new media services, price and cost competition, limited advertising dollars, and extensive regulation. We face many aggressive and well-financed competitors. In this environment, our success depends on attracting and maintaining a leadership team with the integrity, skills, and dedication needed to manage a dynamic organization and the vision to anticipate and respond to future market developments. We use our executive compensation program to help us achieve this objective. Part of the compensation package is designed to enable us to assemble and retain a group of executives who have the collective and individual abilities necessary to run our business to meet these challenges. Other parts are intended to focus these executives on achieving financial results that enhance the value of our stockholders' investment. At the same time, the compensation structure is flexible, so that we can meet the changing needs of our business over time and reward executive officers and managers based on the financial performance of operations under their control.

##### Process

Our compensation committee meets periodically throughout the year. In addition, members of the compensation committee discuss compensation matters with our CEO and CFO and among themselves informally outside of meetings. In establishing the compensation levels for Radio One's executive officers, the compensation committee considers a number of qualitative and quantitative factors, including the competitive market for executives, the level and types of compensation paid to executive officers in similar positions by comparable companies, and an evaluation of Radio One's financial and operational performance. We review the compensation paid to executives at other comparable media companies as a reference point for determining the competitiveness of our executive compensation. Our peer group of radio broadcasting companies includes Citadel Broadcasting Corporation, Cox Radio, Inc., Emmis Communications Corp., Audacy Communications Corp., and Saga Communications Inc. In addition, given the diversity of our business, the compensation committee may review the compensation practices at companies with which it competes for talent, including television, cable, film, online, software and other publicly held businesses with a scope and complexity like ours. The compensation committee does not attempt to set each compensation element for any executive within a particular range related to levels provided by peers. Instead, the compensation committee uses market comparison as one factor in making compensation decisions. Other factors considered when making individual executive compensation decisions include individual contribution and performance, reporting structure, internal pay relationship, complexity and importance of roles and responsibilities, leadership, and growth potential.

Our CEO provides input into the compensation discussion and makes recommendations to the compensation committee for annual compensation changes and bonuses for the executive officers and the appropriateness of additional

long-term incentive compensation. The compensation committee has retained and actively consults with a benefits consulting firm to assist with setting compensation for our executives.

#### **Principal Components of Executive Compensation**

We seek to achieve our compensation philosophy through three key compensation elements:

- base salary;
- a performance-based annual bonus (that constitutes the short-term incentive element of our program), which may be paid in cash, restricted stock units, shares of stock or a combination of these; and
- grants of long-term, equity-based compensation (that constitute the long-term incentive element of our program), such as stock options and/or restricted stock units, which may be subject to time-based and/or performance-based vesting requirements.

The compensation committee believes that this three-part approach is consistent with programs adopted by similarly situated companies and best serves the interests of our stockholders. The approach enables us to meet the requirements of the competitive environment in which we operate, while ensuring that executive officers are compensated in a manner that advances both the short and long-term interests of our stockholders. Under this approach, compensation for our executive officers involves a high proportion of pay that is “at risk,” namely, the annual bonus and the value of stock options and restricted stock units. Stock options and/or restricted stock units relate a sizable portion of each executive’s long-term remuneration directly to the stock price appreciation realized by our stockholders.

The compensation committee may award stock options or grant restricted stock to any executive officer or other eligible participants under the Plan, on its own initiative or at the recommendation of management. In accordance with our Stock Plan Administration Procedures, as approved by the compensation committee, the grant date for grants approved by the compensation committee to executive officers (other than a companywide grants) is the next monthly grant date immediately following the meeting of the compensation committee. Monthly grant dates are generally the fifth day of each month, or the next NASDAQ trading day in the event the fifth day is not a business day. However, it is also our practice in granting options to executive officers to wait for the release of any material non-public information and settlement of that information in the marketplace.

#### **Employment Agreements**

##### **Employment Agreement of the CFO**

*Chief Financial Officer.* Peter D. Thompson serves as an Executive Vice President and Chief Financial Officer. Pursuant to an amendment to his employment agreement effective April 21, 2016, Mr. Thompson was employed as Executive Vice President and Chief Financial Officer of the Company and Vice President of its wholly owned subsidiaries commencing as of January 1, 2022, until December 31, 2024, unless earlier terminated pursuant to the terms of the agreement. Mr. Thompson is entitled to a base salary payable at the annualized rate of \$650,000 per year and will be eligible for an annual bonus. Mr. Thompson’s annual target bonus opportunity will be equal to 75% of his base compensation (the “Target Bonus”), based on the achievement of performance goals as determined by Company’s Chief Executive Officer and Board of Directors; provided that (A) if the Company exceeds ninety percent (90%) of budget for the fiscal year, the Annual Bonus shall be deemed fifty percent (50%) earned and Mr. Thompson is entitled to such amount (the “Bonus Threshold”) and (B) subject to the Bonus Threshold, depending on results, Mr. Thompson’s actual bonus may be higher or lower than the Target Bonus, as determined by the compensation committee. If Mr. Thompson achieves superior performance goals as determined by Company’s Chief Executive Officer and compensation committee, then Mr. Thompson is eligible to receive an Annual Bonus up to 132% of base compensation. Mr. Thompson received a signing bonus of \$250,000, subject to a pro-rata claw-back if he leaves before the end of the term of the agreement. Mr. Thompson was also awarded 150,000 restricted shares of the Company’s Class D common stock vesting on January 6, 2025, as a completion bonus. Finally, Mr. Thompson will receive annual Class D stock awards with an annual value of Four Hundred Eighty-Seven Thousand Five Hundred Dollars (\$487,500) and annual stock option award with an annual value of One Hundred Sixty-Two Thousand Five Hundred Dollars (\$162,500). The first annual award priced and vested on September

27, 2022. The second annual award priced and vested on February 6, 2023. The third annual award will price and vest in or about January 2024.

**Principal terms of prior employment agreement or arrangement under which the Company and the named executive officers are operating as modified by the 2022 Terms of Employment**

On September 27, 2022, the compensation committee approved the principal terms of employment under which the Founder and the CEO are operating (the "2022 Terms of Employment"). The Founder and the CEO thus operate under prior employment agreements as modified by 2022 Terms of Employment. The terms of employment of each of the Founder and the CEO are described below.

*Chairperson.* Catherine L. Hughes, our founder, serves as our Chairperson of the Board of Directors and Secretary. Pursuant to the terms approved by the compensation committee, Ms. Hughes is entitled to a base salary payable at the annualized rate of \$1,000,000 per year and will be eligible for an annual bonus. Ms. Hughes' annual target bonus opportunity will be equal to 50% of her base compensation (the "Target Bonus"), based on the achievement of performance goals as determined by Company's Chief Executive Officer and Board of Directors; provided that (A) if the Company exceeds ninety percent (90%) of budget for the fiscal year, the Annual Bonus shall be deemed fifty percent (50%) earned and Ms. Hughes is entitled to such amount (the "Bonus Threshold") and (B) subject to the Bonus Threshold, depending on results, Ms. Hughes' actual bonus may be higher or lower than the Target Bonus, as determined by the compensation committee. If Ms. Hughes achieves superior performance goals as determined by the Company's Chief Executive Officer and compensation committee, then she is eligible to receive an Annual Bonus up to 87.5% of base compensation. Ms. Hughes was also awarded 281,250 restricted shares of the Company's Class A common stock and stock options to purchase 93,750 Class D shares (which were priced on September 27, 2022), all vesting on January 6, 2025, as a completion bonus. Finally, Ms. Hughes will receive annual Class D stock awards with an annual value of approximately Eight Hundred Fifty-Four Thousand Two Hundred and Ninety-Seven Dollars (\$854,297) and annual stock option award with an annual value of approximately Two Hundred Eighty-Four Thousand Seven Hundred Sixty-Five Dollars (\$284,765). The first annual award priced and vested on September 27, 2022. The second annual award priced and vested on February 6, 2023. The third annual award will price and vest in or about January 2024.

Under her prior employment agreement under which the Company and Ms. Hughes currently operate, Ms. Hughes is also entitled to receive a pro-rata portion of her bonus upon termination due to death or disability. Ms. Hughes also receives standard retirement, welfare, and fringe benefits, as well as vehicle and wireless communication allowances and financial manager services.

*President and Chief Executive Officer.* Alfred C. Liggins, III is employed as our President and CEO and is a member of the Board of Directors. Mr. Liggins is entitled to a base salary payable at the annualized rate of \$1,250,000 per year and will be eligible for an annual bonus. Mr. Liggins's annual target bonus opportunity is equal to 100% of his base compensation (the "Target Bonus"), based on the achievement of performance goals as determined by Company's Chief Executive Officer and Board of Directors; provided that (A) if the Company exceeds ninety percent (90%) of budget for the fiscal year, the Annual Bonus shall be deemed fifty percent (50%) earned and Mr. Liggins is entitled to such amount (the "Bonus Threshold") and (B) subject to the Bonus Threshold, depending on results, Mr. Liggins's actual bonus may be higher or lower than the Target Bonus, as determined by the compensation committee. If Mr. Liggins achieves superior performance goals as determined by the Company's Chief Executive Officer and compensation committee, then the Executive is eligible to receive an Annual Bonus up to 175% of base compensation. Mr. Liggins was awarded 468,750 restricted shares of the Company's Class A common stock and stock options to purchase 156,250 Class D shares (which were priced on September 27, 2022), all vesting on January 6, 2025, as a completion bonus. Mr. Liggins is entitled to receive annual Class D stock awards with an annual value of approximately One Million Four Hundred Twenty-Three Thousand and Eight Hundred and Twenty-Eight Dollars (\$1,423,828) and annual stock option award with an annual value of approximately Four Hundred Seventy-Four Thousand Six Hundred and Ten Dollars (\$474,610). The first annual award priced and vested on September 27, 2022. The second annual award priced and vested on February 6, 2023. The third annual award will price and vest in or about January 2024. Finally, Mr. Liggins remains eligible for the TV One Award included in his prior employment agreement.



Under his prior employment agreement under which the Company and Mr. Liggins currently operate, Mr. Liggins is entitled to receive a pro-rata portion of his bonus upon termination due to death or disability. In recognition of his contributions in founding TV One on behalf of the Company, Mr. Liggins is also eligible to receive an award amount equal to approximately 4% of any proceeds from distributions or other liquidity events in excess of the return of our aggregate investment in TV One (the "Employment Agreement Award"). Our obligation to pay the award was triggered only after our recovery of the aggregate amount of our capital contribution in TV One and continues to be triggered only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to such invested amount. Mr. Liggins' rights to the Employment Agreement Award (i) cease if he is terminated for cause or resigns without good reason and (ii) expire at the termination of his employment (but similar rights could be included in the terms of a new employment agreement). Mr. Liggins also receives standard retirement, welfare, and fringe benefits, as well as vehicle and wireless communication allowances, a personal assistant and financial manager services.

#### **Post-Termination and Change in Control Benefits**

Under the terms of her employment agreement, upon termination without cause or for good reason within two years following a change of control, Ms. Hughes will receive an amount equal to three times the sum of (i) her annual base salary and (ii) the average of her last three annual incentive bonus payments, in a cash lump sum within five days of such termination, a pro-rated annual bonus for the year of termination, and continued welfare benefits for three years, subject to all applicable federal, state and local deductions. Similarly, under the terms of his employment agreement, upon termination without cause or for good reason within two years following a change of control, Mr. Liggins will receive an amount equal to three times the sum of (i) his annual base salary and (ii) the average of his last three annual incentive bonus payments, in a cash lump sum within five days of such termination, a pro-rated annual bonus for the year of termination, and continued welfare benefits for three years, subject to all applicable federal, state and local deductions.

Under Ms. Hughes' and Mr. Liggins' employment agreements the terms "cause" and "good reason" are defined generally as follows:

"Cause" means (i) the commission by the executive of a felony, fraud, embezzlement or an act of serious, criminal moral turpitude which, in case of any of the foregoing, in the good faith judgment of the board, is likely to cause material harm to the business of the Company and the Company affiliates, taken as a whole, *provided*, that in the absence of a conviction or plea of *nolo contendere*, the Company will have the burden of proving the commission of such act by clear and convincing evidence; (ii) the commission of an act by the executive constituting material financial dishonesty against the Company or any Company affiliate, *provided*, that in the absence of a conviction or plea of *nolo contendere*, the Company will have the burden of proving the commission of such act by a preponderance of the evidence; (iii) the repeated refusal by the executive to use his reasonable and diligent efforts to follow the lawful and reasonable directives of the board; or (iv) the executive's willful gross neglect in carrying out his material duties and responsibilities under the agreement, *provided*, that unless the board reasonably determines that a breach described in clause (iii) or (iv) is not curable, the executive will be given written notice of such breach and will be given an opportunity to cure such breach to the reasonable satisfaction of the board within thirty (30) days of receipt of such written notice.

"Good Reason" shall be deemed to exist if, without the express written consent of the executive, (i) the executive's rate of annual base salary is reduced, (ii) the executive suffers a substantial reduction in his title, duties or responsibilities, (iii) the Company fails to pay the executive's annual base salary when due or to pay any other material amount due to the executive hereunder within five (5) days of written notice from the executive, (iv) the Company materially breaches the agreement and fails to correct such breach within thirty (30) days after receiving the executive's demand that it remedy the breach, or (v) the Company fails to obtain a satisfactory written agreement from any successor to assume and agree to perform the agreement, which successor the executive reasonably concludes is capable of performing the Company's financial obligations under this Agreement.

The foregoing summaries of the definitions of "cause" and "good reason" are qualified in their entirety by reference to the actual terms of the employment agreements for Ms. Hughes' and Mr. Liggins' filed with that certain Current Report Form 8-K filed April 18, 2008.

Under the terms of his employment agreement, in the event that Mr. Thompson is terminated other than for cause, provided Mr. Thompson executes a general liability release, the Company will pay Mr. Thompson severance in an amount equal to six month's base compensation, subject to all applicable federal, state, and local deductions. With regard to Mr. Thompson, the foregoing summary of the definitions of "cause" and "good reason" are qualified in their entirety by reference to the actual terms of his employment agreement filed with that certain Current Report on Form 8-K filed October 3, 2022.

#### **Other Benefits and Perquisites**

As part of our competitive compensation package to attract and retain talented employees, we offer retirement, health, and other benefits to our employees. Our named executive officers participate in the same benefit plans as our other salaried employees. The only benefit programs offered to our named executive officers either exclusively or with terms different from those offered to other eligible employees are the following:

*Deferred Compensation.* We had a deferred compensation plan that allowed Catherine L. Hughes, our Chairperson, to defer compensation on a voluntary, non-tax qualified basis. The plan was terminated in 2017, and as such Ms. Hughes did not defer any of her compensation during the year ended December 31, 2022. The amount owed to her as deferred compensation for prior years is an unfunded and unsecured general obligation of our Company. Deferred amounts accrue interest based upon the return earned on an investment account with a designated brokerage firm established by Urban One. All deferred amounts are payable in a lump sum 30 days after the date of the event causing the distribution to be paid. No named executive officer earns above-market or preferential earnings on nonqualified deferred compensation.

*Other Perquisites.* We provide few perquisites to our named executive officers. Currently, we provide or reimburse executives for a company automobile, driver and various administrative services including a financial manager and a personal assistant.

We have set forth the incremental cost of providing these benefits and perquisites to our named executives in the 2022 Summary Compensation Table in the "All Other Compensation" column.

#### **401(k) Plan**

The Company has a defined contribution 401(k) savings and retirement plan. In calendar year 2022, participants could contribute up to \$20,500 of their gross compensation, subject to certain limitations. In calendar year 2021, participants could contribute up to \$19,500 of their gross compensation, subject to certain limitations. Employees ages 50 or older could make an additional catch-up contribution of in each of calendar years 2022 and 2021 up to \$6,500 of their gross compensation. The Company currently does not offer any matching component with respect to its 401(k) savings and retirement plan.

#### **Tax Deductibility of Executive Compensation**

Section 162(m) of the Code imposes limitations upon the federal income tax deductibility of certain compensation paid to our Chief Executive Officer, our Chief Financial Officer and to each of our other highly compensated executive officers. Under these limitations, we may deduct such compensation only to the extent that during any year the compensation paid to any such officer does not exceed \$1,000,000 or meets certain limited conditions. The compensation committee believes that it is in our best interests to retain flexibility and discretion to make compensation awards to foster achievement of goals the Committee deems important to our success, including for example encouraging employee retention, rewarding achievement of non-quantifiable goals, and achieving progress with specific projects.

Our compensation committee may also take accounting considerations, including the impact of Accounting Standards Codification ("ASC") Topic 718, into account in structuring compensation programs and determining the form and amount of compensation awarded.

## EXECUTIVE COMPENSATION

The following table sets forth the total compensation for each of our named executive officers, for the years ended December 31, 2022, and 2021:

Name and Principal Position	Year	Salary \$	Bonus (1) \$	Stock Awards (2) \$	Option Awards (2) \$	Non-Equity Incentive Plan Compensation \$	Non-qualified Deferred Compensation Earnings \$	All Other Compensation \$	Total \$
Catherine L. Hughes – Chairperson	2022	1,000,000	0	1,027,597	310,312	0	0	48,804 (3)	2,386,713
	2021	1,000,000	875,000	28,509	5,104	0	0	79,626 (3)	1,988,239
Alfred C. Liggins, III – CEO	2022	1,250,000	0	1,712,663	517,186	0	0	4,204,855 (4)	7,684,704
	2021	1,250,000	2,187,500	19,140	21,118	0	0	3,684,381 (4)	7,162,139
Peter D. Thompson - CFO	2022	650,000	250,000	548,740	162,611	0	0	0	1,611,351
	2021	650,000	612,500	16,269	2,913	0	0	0	1,281,682

(1) Reflects discretionary bonuses.

(2) The dollar amount recognized for financial statement purposes in accordance with Accounting Standards Codification (“ASC”) 718, “Compensation – Stock Compensation,” for the fair value of options and restricted stock granted. These values are based on assumptions described in Note 13 to the Company’s audited consolidated financial statements included elsewhere in this Form 10-K.

(3) For 2022 and 2021, for company automobile provided to Ms. Hughes and financial services and administrative support in the amounts of \$4,988 and \$9,141 and \$43,816 and \$70,485, respectively.

(4) Mr. Liggins’ employment terms provide, among other things, that in recognition of Mr. Liggins’ contributions in founding TV One on our behalf, he is eligible to receive an award amount equal to approximately 4% of any proceeds from distributions or other liquidity events in excess of the return of the Company’s aggregate investment in TV One. The Company’s obligation to pay the award to Mr. Liggins was triggered during 2016 after its recovery of the aggregate amount of our pre-Comcast Buyout capital contribution in TV One, and only upon actual receipt of distributions of cash or marketable securities. An award in the amount of \$4,038,131 and \$3,572,968 was paid in 2022 and 2021, respectively. In addition, for 2022 and 2021, the Company provided financial services and administrative support to Mr. Liggins in the amounts of \$166,724 and \$111,413, respectively.

### Pay Versus Performance

As required by new pay versus performance (“PVP”) rules adopted by the SEC in August 2022 and in effect for the first time for this proxy statement, the following Pay Versus Performance table (“PVP Table”) provides required information about compensation for our named executive officers for the periods ended December 31, 2021 and 2022 (each of 2021 and 2022, a “Covered Year”). We refer to all the named executive officers covered in the PVP Table below, collectively, as the “PVP NEOs.” The PVP Table also provides information about the results for certain measures of financial performance during those same Covered Years. In reviewing this information, we believe you should consider:

- The information in columns (b) and (d) of the PVP Table comes directly from this year’s Summary Compensation Table (or last year’s Summary Compensation Table), without adjustment, calculated in the manner as required under SEC rules for such table;
- As required by the SEC’s PVP rules, we describe the information in columns (c) and (e) of the PVP Table as “compensation actually paid” (or “CAP”) to the applicable PVP NEOs. However, we believe these CAP amounts do not entirely reflect the final compensation that our NEOs actually earned for their service in the Covered Years, respectively. Instead, in accordance with the SEC’s PVP rules the amounts represent a combination of realized pay

(primarily for cash amounts and equity that vested in the applicable Covered Year) and realizable or accrued pay as of the last day of the applicable Covered Year (primarily for equity awards that are unvested or vested but unexercised). As a result, we urge investors to use caution when evaluating CAP amounts, as they are calculated in a manner different than any information that we may have presented before; and

- As required by the SEC's PVP rules, we provide information in the PVP Table below about our absolute total shareholder return ("TSR") results and our U.S. GAAP net income results (the "External Measures") during the Covered Years. In column (h) we also present information with respect to our Adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure. We present this measure as management believes Adjusted EBITDA provides useful information to management and investors by excluding certain income/(loss), expenses and gains and losses that may not be indicative of the Company's core operating and financial results. Adjusted EBITDA is a useful performance measure because certain items included in the calculation of net income/(loss) may either mask or exaggerate trends in the Company's ongoing operating performance measures, by identifying the individual adjustments, provide a useful mechanism for investors to consider these adjusted measures with some or all the identified adjustments. The reconciliation of Adjusted EBITDA to the comparable GAAP financial measure is included in Non-GAAP Financial Measures in ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS of this Form 10-K.

Pay Versus Performance							
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Year	Summary Compensation Table Total for PEO (1)	Compensation Actually Paid to PEO (1)(2)	Average Summary Compensation Table Total for Non-PEO Named Executive Officers (1)	Average Compensation Actually Paid to Non-PEOs Named Executive Officers (1)(2)	Value of Initial Fixed \$100 Investment Based on Total Shareholder Return (3)	Net Income (in thousands)	Adjusted EBITDA (in thousands)
2022	\$ 7,684,704	\$ 1,250,000	\$ 1,999,032	\$ 950,000	\$ 0	\$ 39,955	\$ 165,592
2021	\$ 7,162,139	\$ 3,437,500	\$ 1,634,960	\$ 1,568,750	\$ 0	\$ 39,106	\$ 150,222

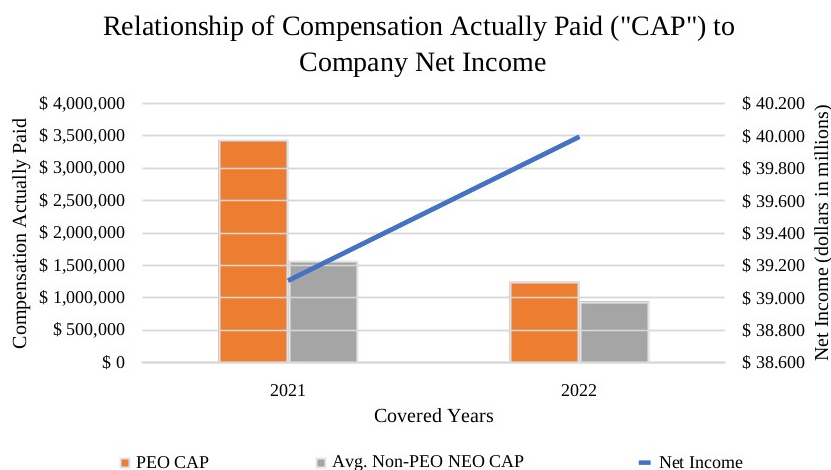
- Reflects the total compensation of our current President and CEO, Alfred C. Liggins, III, who is our PEO. Our non-PEO PVP NEOs ("Non-PEO NEOs") were Catherine L. Hughes, our Chairperson, and Peter D. Thompson, our Chief Financial Officer, for each of the Covered Years. Amounts shown are as calculated in the Summary Compensation Table (SCT) for each of the years shown.
- For each covered year, in determining both the compensation actually paid for our PEO and the average compensation actually paid for our Non-PEO NEOs for purposes of this PVP Table, we deducted from or added back to the total amount of compensation reported in column (b) and column (d) for such Covered Year the following amounts:

Item and Value Added (Deducted)	2022	2021
<b>For Mr. Liggins:</b>		
Deduction for Summary Compensation Table "Stock Awards" column value	\$ 1,712,663	\$ 19,140
Deduction for Summary Compensation Table "Option Awards" column value	517,186	21,118
Increase for year-end fair value of outstanding equity awards granted in Covered Year	0	0
Increase/Decrease for change in fair value of outstanding equity awards granted in prior years	2,921,970	2,226,501
Increase for vesting date fair value of equity awards granted and vested in Covered Year	0	0
Increase/Decrease for change in fair value of prior-year equity awards vested in Covered Year	0	0
Decrease for prior year-end fair value of prior-year equity awards forfeited in Covered Year	0	0
Increase for includable dividends/earnings on equity awards during Covered Year	0	0

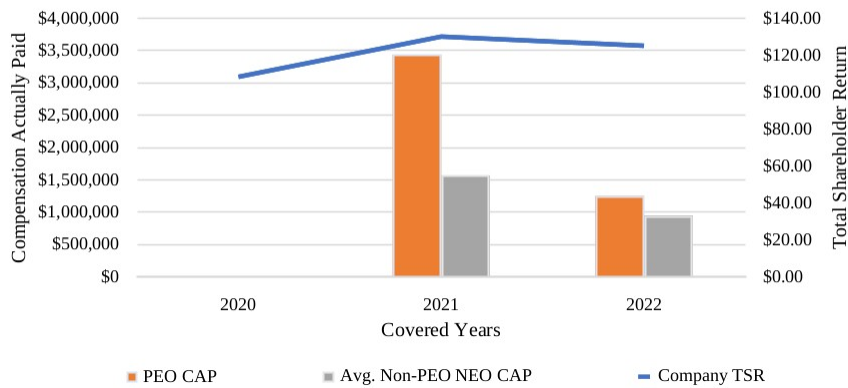
Item and Value Added (Deducted)	2022	2021
<b>For Non-PEO Named Executive Officers (Average):</b>		
Deduction for Summary Compensation Table "Stock Awards" column value	\$ 788,168	\$ 22,389
Deduction for Compensation Table "Option Awards" column value	236,461	4,008
Increase for year-end fair value of outstanding equity awards granted in Covered Year	0	0
Increase/Decrease for change in fair value of outstanding equity awards granted in prior years	1,352,518	1,601,896
Increase for vesting date fair value of equity awards granted and vested in Covered Year	0	0
Increase/Decrease for change in fair value of prior-year equity awards vested in Covered Year	0	0
Decrease for prior year-end fair value of prior-year equity awards forfeited in Covered Year	0	0
Increase for includable dividends/earnings on equity awards during Covered Year	0	0

(3) For each Covered Year, our total shareholder return ("TSR") was calculated based on the yearly percentage change in our cumulative TSR on each of our Class A and Class D common stock, measured as the quotient of (a) the sum of (i) the cumulative amount of dividends for a period beginning with our closing price on the Nasdaq Global Market on December 31, 2020 through and including the last day of the fiscal year covered (each one- or two-year period, the "Measurement Period"), assuming dividend reinvestment, plus (ii) the difference between our closing Class A and Class D stock prices at the end versus the beginning of the Measurement Period, divided by (b) our closing Class A and Class D share prices at the beginning of the Measurement Period. Each of these yearly percentage changes was then applied to a deemed fixed investment of \$100 at the beginning of each Measurement Period to produce the Covered Year-end values of such investment as of the end of 2022 and 2021, as applicable. Because Covered Years are presented in the table in reverse chronological order (from top to bottom), the table should be read from bottom to top for purposes of understanding cumulative returns over time.

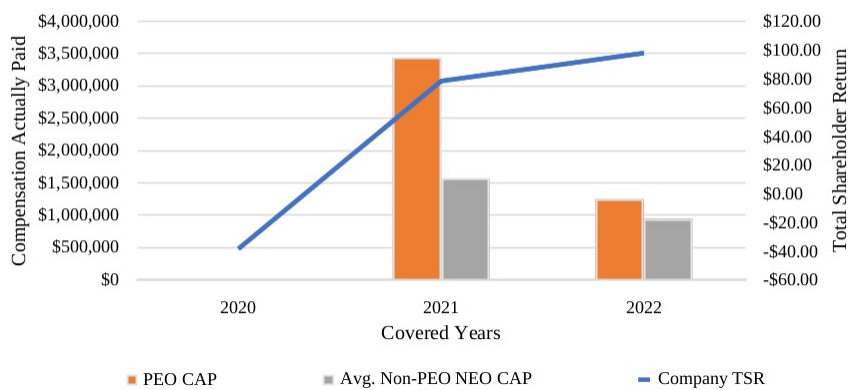
The following charts provide, across the Covered Years, descriptions of the relationships between (1) the CAP for the PEO and the average CAP for our Non-PEO NEOs (in each case as set forth in the PVP Table above) and (2) each of the performance measures set forth in columns (f) and (g) of the PVP Table above.



Relationship of Compensation Actually Paid ("CAP") to Total Shareholder Return - UONE Class A



Relationship of Compensation Actually Paid ("CAP") to Total Shareholder Return - UONEK Class D



**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The Company has four classes of common stock, Class A, Class B, Class C and Class D. Generally, except as summarized below, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A common stock entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. The holders of Class C and Class D common stock are not entitled to vote on any matters. The holders of Class A common stock can convert such shares into shares of Class C

or Class D common stock. Subject to certain limitations, the holders of Class B common stock can convert such shares into shares of Class A common stock. The holders of Class C common stock can convert such shares into shares of Class A common stock. The holders of Class D common stock have no such conversion rights.

The following table sets forth certain information regarding the beneficial ownership of our common stock as of May 19, 2023, by:

- each person (or group of affiliated persons) known by us to be the beneficial owner of more than five percent of any class of common stock;
- each of the current executive officers named in the Summary Compensation Table;
- each of our directors and nominees for director; and
- all of our directors and executive officers as a group.

In the case of persons other than our executive officers, directors and nominees, such information is based solely upon a review of the latest schedules 13D or 13G, as amended. Each individual stockholder possesses sole voting and investment power with respect to the shares listed, unless otherwise noted. Information with respect to the beneficial ownership of the shares has been provided by the stockholders. The number of shares of stock includes all shares that may be acquired within 60 days of May 19, 2023.

	Common Stock								Economic Interest	Voting Interest
	Class A		Class B		Class C		Class D			
	Number of Shares	Percent of Class	Number of Shares	Percent of Class	Number of Shares	Percent of Class	Number of Shares	Percent of Class		
Catherine L. Hughes (1)(2)(3)(4)(6)	262,972	2.67 %	851,536	29.75 %	1,124,560	54.99 %	5,905,784	17.32 %	16.67 %	22.82 %
Alfred C. Liggins, III (1)(3)(4)(5)(6)	620,918	6.30 %	2,010,307	70.25 %	920,456	45.01 %	14,724,099	43.19 %	37.41 %	53.87 %
Terry L. Jones							295,881	*	*	0.00 %
Brian W. McNeill							254,618	*	*	0.00 %
D. Geoffrey Armstrong	10,000	*					193,140	*	*	*
B. Doyle Mitchell							16,595	*	*	0.00 %
Peter D. Thompson (7)							812,755	2.38 %	1.85 %	0.00 %
David M. Kantor (8)							468,426	1.37 %	1.07 %	0.00 %
Karen Wishart							115,583	*	*	0.00 %
Kris Simpson							33,267	*	*	0.00 %
Eric Semler	200,000	2.03 %							*	*
TCS Capital Advisors	675,480	6.85 %					372,492	1.09 %	2.38 %	1.76 %
Blackrock	532,023	5.40 %							1.21 %	1.38 %
All Directors and Named Executives as a group (10 persons)	893,890	9.07 %	2,861,843	100.00 %	2,045,016	100.00 %	22,820,148	66.93 %		

\* Less than 1%.

- (1) Includes 31,210 shares of Class A common stock and 62,998 shares of Class D common stock held by Hughes-Liggins & Company, L.L.C., the members of which are the Catherine L. Hughes Revocable Trust, dated March 2, 1999, of which Ms. Hughes is the trustee and sole beneficiary (the "Hughes Revocable Trust"), and the Alfred C. Liggins, III Revocable Trust, dated March 2, 1999, of which Mr. Liggins is the trustee and sole beneficiary (the "Liggins Revocable Trust"). The address of Ms. Hughes and Mr. Liggins is 1010 Wayne Avenue, Silver Spring, Maryland 20910.
- (2) The 247,366 shares of Class A common stock, 851,536 shares of Class B common stock and 3,260,133 shares of Class D common stock are held by the Hughes Revocable Trust; 1,124,560 shares of Class C common stock and 520,404 shares of Class D common stock are held by the Catherine L. Hughes Dynastic Trust, dated March 2, 1999, of which Ms. Hughes is the trustee and sole beneficiary.

- (3) The shares of Class A common stock and Class B common stock are subject to a voting agreement between Ms. Hughes and Mr. Liggins with respect to the election of Urban One's directors.
- (4) As of May 19, 2023, the combined economic and voting interests of Ms. Hughes and Mr. Liggins were 54.08% and 76.69%, respectively.
- (5) The 605,313 shares of Class A common stock, 2,010,307 shares of Class B common stock, and 8,428,099 shares of Class D common stock are held by the Liggins Revocable Trust. In addition, 920,456 shares of Class C common stock and 338,808 shares of Class D common stock are held by the Alfred C. Liggins, III Dynastic Trust dated March 2, 1999, of which Mr. Liggins is the trustee and sole beneficiary.
- (6) Ms. Hughes' total includes 1,170,289 shares of Class D common stock obtainable upon the exercise of stock options. Mr. Liggins' total includes 2,049,149 shares of Class D common stock obtainable upon the exercise of stock options.
- (7) Includes 450,896 shares of Class D common stock obtainable upon the exercise of stock options.
- (8) Includes 144,588 shares of Class D common stock obtainable upon the exercise of stock options.

### **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

#### **CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

We review all transactions and relationships in which Urban One and our directors and executive officers or their immediate family members are participants to determine whether such persons have a direct or indirect material interest. In addition, our code of ethics requires our directors, executive officers, and principal financial officers to report to the board or the audit committee any situation that could be perceived as a conflict of interest. Once a related person transaction has been identified, the Board of Directors may appoint a special committee of the Board of Directors to review and, if appropriate, approve such transaction. The special committee will consider the material facts, such as the nature of the related person's interest in the transaction, the terms of the transaction, the importance of the transaction to the related person and to us, whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances, and other matters it deems appropriate. As required under the SEC rules, we disclose related party transactions that are directly or indirectly material to us or a related person.

Reach Media operates the Tom Joyner Foundation's Fantastic Voyage<sup>®</sup> (the "Fantastic Voyage<sup>®</sup>"), a fund-raising event, on behalf of the Tom Joyner Foundation, Inc. (the "Foundation"), a 501(c)(3) entity. The agreement under which the Fantastic Voyage<sup>®</sup> operates provides that Reach Media provide all necessary operations of the cruise and that Reach Media will be reimbursed its expenditures and receive a fee plus a performance bonus. Distributions from operating revenues are in the following order until the funds are depleted: up to \$250,000 to the Foundation, reimbursement of Reach's expenditures, up to a \$1.0 million fee to Reach, a performance bonus of up to 50% of remaining operating revenues to Reach Media, with the balance remaining to the Foundation. For 2021 and 2023, \$250,000 to the Foundation is guaranteed; the Fantastic Voyage<sup>®</sup> did not operate in 2022. Reach Media's earnings for the Fantastic Voyage<sup>®</sup> in any given year may not exceed \$1.75 million. The Foundation's remittances to Reach Media under the agreements are limited to its Fantastic Voyage<sup>®</sup> related cash collections. Reach Media bears the risk should the Fantastic Voyage<sup>®</sup> sustain a loss and bears all credit risk associated with the related passenger cruise package sales. The agreement between Reach and the Foundation automatically renews annually unless termination is mutually agreed or unless a party's financial requirements are not met, in which case the party not in breach of their obligations has the right, but not the obligation, to terminate unilaterally. As of December 31, 2022, the Foundation owed Reach Media approximately \$2.3 million and as of December 31, 2021, Reach Media owed the Foundation \$41,000 under the agreements for the operation of the cruises.

The Fantastic Voyage took place during the fourth quarter of 2021. For the year ended December 31, 2021, Reach Media's revenues, expenses, and operating income for the Fantastic Voyage were approximately \$7.0 million, \$6.6 million, and \$400,000, respectively.

Reach Media provides office facilities (including office space, telecommunications facilities, and office equipment) to the Foundation. Such services are provided to the Foundation on a pass-through basis at cost. Additionally, from time to time, the Foundation reimburses Reach Media for expenditures paid on its behalf at Reach Media-related events. Under



these arrangements, as of December 31, 2022 and 2021, the Foundation owed \$6,000 and \$4,000, respectively, to Reach Media.

Alfred C. Liggins, President and Chief Executive Officer of Urban One, Inc., is a compensated member of the Board of Directors of Broadcast Music, Inc. ("BMI"), a performance rights organization to which the Company pays license fees in the ordinary course of business. During the years ended December 31, 2022 and 2021, the Company incurred expense of approximately \$3.8 million and \$4.7 million, respectively. As of December 31, 2022 and 2021, the Company owed BMI approximately \$1.5 million and \$423,000, respectively.

#### ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

##### Independent Registered Public Accounting Firm Fees

The following table shows the fees paid by us for audit and other services provided by BDO USA, LLP during 2022 and 2021.

	Year Ended December 31,	
	2022	2021
Audit fees (1)	\$ 2,820,000	\$ 1,646,500

(1) Consists of professional services rendered in connection with the audit of our financial statements for the most recent fiscal year, reviews of the financial statements included in our quarterly reports on Form 10-Q during the fiscal years ended December 31, 2022, and 2021, respectively, and the issuance of consents for filings with the SEC.

**PART IV**

**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

(a)(1) *Financial Statements*

The following financial statements required by this item are submitted in a separate section beginning on page F-1 of this report:

Reports of Independent Registered Public Accounting Firm (BDO USA, LLP; Potomac, MD; PCAOB ID #243)

Consolidated Balance Sheets as of December 31, 2022 and 2021 (As Restated)

Consolidated Statements of Operations for the years ended December 31, 2022 and 2021(As Restated)

Consolidated Statements of Comprehensive Income for the years ended December 31, 2022 and 2021 (As Restated)

Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2022 and 2021 (As Restated)

Consolidated Statements of Cash Flows for the years ended December 31, 2022 and 2021 (As Restated)

Notes to the Consolidated Financial Statements

Schedules other than those listed above have been omitted from this Form 10-K because they are not required, are not applicable, or the required information is included in the financial statements and notes thereto.

(a)(2) EXHIBITS AND FINANCIAL STATEMENTS: The following exhibits are filed as part of this Annual Report, except for Exhibits 32.1 and 32.2, which are furnished, but not filed, with this Annual Report.

<b>Exhibit Number</b>	<b>Description</b>
3.1	<a href="#">Amended and Restated Certificate of Incorporation of Urban Inc., dated as of May 4, 2000, as filed with the State of Delaware on May 9, 2000 (incorporated by reference to Exhibit 3.1 to Urban One's Quarterly Report on Form 10-Q for the period ended March 31, 2000).</a>
3.1.1	<a href="#">Certificate of Amendment, dated as of April 25, 2017, of the Amended and Restated Certificate of Incorporation of Urban One, Inc., dated as of April 25, 2017, as filed with the State of Delaware on April 25, 2017 (incorporated by reference to Exhibit 3.1 to Urban One's Current Report on Form 8-K filed May 8, 2017).</a>
3.2	<a href="#">Amended and Restated By-laws of Urban One, Inc. amended as of May 5, 2017 (incorporated by reference to Exhibit 3.2 to Urban One's Current Report on Form 8-K filed May 8, 2017).</a>
3.3	<a href="#">Certificate of Conversion of Bell Broadcasting Company into Bell Broadcasting Company LLC (incorporated by reference to Exhibit 3.13 to Urban One's Annual Report on Form 10-K, filed March 14, 2016).</a>
3.4	<a href="#">Articles of Organization of Blue Chip Broadcasting Licenses, Ltd. (incorporated by reference to Exhibit 3.32 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>
3.5	<a href="#">Operating Agreement of Blue Chip Broadcasting Licenses, Ltd. (incorporated by reference to Exhibit 3.60 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>
3.6	<a href="#">Articles of Organization of Blue Chip Broadcasting, Ltd. (incorporated by reference to Exhibit 3.30 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>
3.7	<a href="#">Amended and Restated Operating Agreement of Blue Chip Broadcasting, Ltd. (incorporated by reference to Exhibit 3.59 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>

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- 3.8 [Certificate of Formation of Charlotte Broadcasting, LLC \(incorporated by reference to Exhibit 3.18 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.9 [Limited Liability Company Agreement of Charlotte Broadcasting, LLC \(incorporated by reference to Exhibit 3.53 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.10 [Certificate of Formation of Distribution One, LLC. \(incorporated by reference to Exhibit 3.15 to Urban One's Registration Statement on Form S-4, filed February 9, 2011\).](#)
- 3.11 [Limited Liability Company Agreement of Distribution One, LLC. \(incorporated by reference to Exhibit 3.16 to Urban One's Registration Statement on Form S-4, filed February 9, 2011\).](#)
- 3.12 [Articles of Incorporation of Interactive One, Inc. \(incorporated by reference to Exhibit 3.19 to Urban One's Registration Statement on Form S-4, filed February 9, 2011\).](#)
- 3.13 [Bylaws of Interactive One, Inc. \(incorporated by reference to Exhibit 3.20 to Urban One's Registration Statement on Form S-4, filed February 9, 2011\).](#)
- 3.14 [Certificate of Formation of Interactive One, LLC. \(incorporated by reference to Exhibit 3.21 to Urban One's Registration Statement on Form S-4, filed February 9, 2011\).](#)
- 3.15 [Limited Liability Company Agreement of Interactive One, LLC. \(incorporated by reference to Exhibit 3.22 to Urban One's Registration Statement on Form S-4, filed February 9, 2011\).](#)
- 3.16 [Certificate of Incorporation of New Mableton Broadcasting Corporation \(incorporated by reference to Exhibit 3.43 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.17 [Bylaws of New Mableton Broadcasting Corporation \(incorporated by reference to Exhibit 3.70 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.18 [Certificate of Conversion of Radio One Cable Holdings, Inc. to Radio One Cable Holdings, LLC. \(incorporated by reference to Exhibit 3.19 to Urban One's Annual Report on Form 10-K, filed February 17, 2015\).](#)
- 3.19 [Certificate of Conversion of formation of Radio One Cable Holdings, LLC. \(incorporated by reference to Exhibit 3.20 to Urban One's Annual Report on Form 10-K, filed February 17, 2015\).](#)
- 3.20 [Certificate of Formation of Radio One Distribution Holdings, LLC. \(incorporated by reference to Exhibit 3.27 to Urban One's Registration Statement on Form S-4, filed February 9, 2011\).](#)
- 3.21 [Limited Liability Company Agreement of Radio One Cable Holdings, LLC. \(incorporated by reference to Exhibit 3.20 to Urban One's Annual Report on Form 10-K, filed February 17, 2015\).](#)
- 3.22 [Limited Liability Company Agreement of Radio One Distribution Holdings, LLC \(incorporated by reference to Exhibit 3.28 to Urban One's Registration Statement on Form S-4, filed February 9, 2011\).](#)
- 3.23 [Certificate of Formation of Radio One Licenses, LLC \(incorporated by reference to Exhibit 3.3 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.24 [Limited Liability Company Agreement of Radio One Licenses, LLC \(incorporated by reference to Exhibit 3.46 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.25 [Certificate of Formation of Radio One Media Holdings, LLC \(incorporated by reference to Exhibit 3.44 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.26 [Limited Liability Company Agreement of Radio One Media Holdings, LLC \(incorporated by reference to Exhibit 3.71 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.27 [Certificate of Formation of Radio One of Charlotte, LLC \(incorporated by reference to Exhibit 3.15 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.28 [Limited Liability Company Agreement of Radio One of Charlotte, LLC \(incorporated by reference to Exhibit 3.51 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.29 [Certificate of Limited Partnership of Radio One of Indiana, L.P. \(incorporated by reference to Exhibit 3.35 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.30 [Limited Partnership Agreement of Radio One of Indiana, L.P. \(incorporated by reference to Exhibit 3.63 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.31 [Certificate of Formation of Radio One of Indiana, LLC \(incorporated by reference to Exhibit 3.38 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.32 [Limited Liability Company Agreement of Radio One of Indiana, LLC \(incorporated by reference to Exhibit 3.66 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)
- 3.33 [Certificate of Formation of Radio One of North Carolina, LLC \(incorporated by reference to Exhibit 3.20 to Urban One's Registration Statement on Form S-4, filed August 5, 2005\).](#)

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3.34	<a href="#">Limited Liability Company Agreement of Radio One of North Carolina, LLC (incorporated by reference to Exhibit 3.54 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>
3.35	<a href="#">Certificate of Formation of Radio One of Texas II, LLC (incorporated by reference to Exhibit 3.37 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>
3.36	<a href="#">Limited Liability Company Agreement of Radio One of Texas II, LLC (incorporated by reference to Exhibit 3.65 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>
3.37	<a href="#">Certificate of Formation of Satellite One, L.L.C. (incorporated by reference to Exhibit 3.39 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>
3.38	<a href="#">Limited Liability Company Agreement of Satellite One, L.L.C. (incorporated by reference to Exhibit 3.67 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).</a>
3.39	<a href="#">Certificate of Formation of IO Acquisition Sub, LLC (incorporated by reference to Exhibit 3.46 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).</a>
3.40	<a href="#">Certificate of Amendment to Certificate of Formation of BossipMadameNoire, LLC (incorporated by reference to Exhibit 3.3 to Urban One's Current Report on Form 8-K, filed May 8, 2017).</a>
3.41	<a href="#">Limited Liability Company Agreement of BossipMadameNoire, LLC (formerly IO Acquisition Sub and incorporated by reference to Exhibit 3.47 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).</a>
3.42	<a href="#">Certificate of Formation of Radio One Urban Network Holdings, LLC (incorporated by reference to Exhibit 3.48 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).</a>
3.43	<a href="#">Limited Liability Company Agreement of Radio One Urban Network Holdings, LLC (incorporated by reference to Exhibit 3.49 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).</a>
3.44	<a href="#">Certificate of Formation of Radio One Entertainment Holdings, LLC (incorporated by reference to Exhibit 3.50 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).</a>
3.45	<a href="#">Second Amended and Restated Limited Liability Company Agreement of Radio One Entertainment Holdings, LLC (incorporated by reference to Exhibit 3.49 to Urban One's Annual Report on Form 10-K, filed March 31, 2021).</a>
3.46	<a href="#">Certificate of Conversion of Gaffney Broadcasting, LLC (incorporated by reference to Exhibit 3.52 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).</a>
3.47	<a href="#">Certificate of Incorporation of Reach Media, Inc. (incorporated by reference to Exhibit 3.53 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).</a>
3.48	<a href="#">Bylaws of Reach Media, Inc. (incorporated by reference to Exhibit 3.54 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).</a>
3.49	<a href="#">Certificate of Formation of RO One Solution, LLC (incorporated by reference to Exhibit 3.54 to Urban One's Annual Report on Form 10-K, filed March 14, 2016).</a>
3.50	<a href="#">Certificate of Formation of Urban One Entertainment SPV, LLC (incorporated by reference to Exhibit 3.54 to Urban One's Annual Report on Form 10-K, filed March 18, 2019).</a>
3.51	<a href="#">Second Amended and Restated Limited Liability Company Agreement of Urban One Entertainment SPV, LLC (incorporated by reference to Exhibit 3.55 to Urban One's Annual Report on Form 10-K, filed March 31, 2021).</a>
4.1	<a href="#">Indenture, dated as of January 25, 2021, among Urban One, Inc., the guarantors named therein and Wilmington Trust, National Association, as trustee, relating to the 7.375% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to Urban One's Current Report on Form 8-K filed January 29, 2021).</a>
4.2	<a href="#">First Amendment and Waiver, dated as of April 30, 2023, among Urban One, Inc., the other borrowers party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent*</a>
4.3	<a href="#">Description of Registrant's Securities*</a>
4.4	<a href="#">Second Amendment and Waiver, dated as of June 5, 2023, among Urban One, Inc., the other borrowers party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent*Second Amendment and Waiver*</a>
10.1	<a href="#">Amended and Restated Stockholders Agreement dated as of September 28, 2004 among Catherine L. Hughes and Alfred C. Liggins, III (incorporated by reference 4.1 Urban One's Quarterly Report on Form 10-Q for the period ended June 30, 2005).</a>
10.2	<a href="#">Urban One, Inc. 2019 Equity and Performance Incentive Plan (incorporated by reference to Urban One's Definitive Proxy on Schedule 14A filed April 11, 2019).</a>

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10.3	<a href="#">Employment Agreement between Radio One, Inc. and Peter D. Thompson dated as of September 27, 2022 (incorporated by reference to Exhibit 99.1 to Urban One's Current Report on Form 8-K filed October 3, 2022).</a>
10.4	<a href="#">Employment Agreement between Radio One, Inc. and Alfred C. Liggins, III dated April 16, 2008 (incorporated by reference to Exhibit 10.2 to Urban One's Current Report on Form 8-K filed April 18, 2008).</a>
10.5	<a href="#">Terms of Employment Agreement between Radio One, Inc. and Alfred C. Liggins, III approved September 27, 2022 (incorporated by reference to Item 5.02 of Urban One's Current Report on Form 8-K filed October 3, 2022).</a>
10.6	<a href="#">Employment Agreement between Radio One, Inc. and Catherine L. Hughes dated April 16, 2008 (incorporated by reference to Exhibit 10.1 to Urban One's Current Report on Form 8-K filed April 18, 2008).</a>
10.7	<a href="#">Terms of Employment Agreement between Radio One, Inc. and Catherine L. Hughes approved September 27, 2022 (incorporated by reference to Item 5.02 of Urban One's Current Report on Form 8-K filed October 3, 2022).</a>
10.8	<a href="#">Amended and Restated Urban One 2019 Equity and Performance Incentive Plan (incorporated by reference to Exhibit A to Proxy Statement dated April 30, 2021).</a>
21.1	<a href="#">Subsidiaries of Urban One, Inc.*</a>
23.1	<a href="#">Consent of BDO USA, LLP *</a>
31.1	<a href="#">Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*</a>
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*</a>
32.1	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*</a>
32.2	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*</a>
101	Financial information from the Annual Report on Form 10-K for the year ended December 31, 2022, formatted in Inline XBRL.*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

\*Indicates document filed herewith.

**ITEM 16. FORM 10-K SUMMARY**

None.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on June 30, 2023.

URBAN ONE, INC.

By: /s/ Peter D. Thompson  
Name: Peter D. Thompson  
Title: *Chief Financial Officer and Principal Accounting Officer*

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant in the capacities indicated on June 30, 2023.

By: /s/ Catherine L. Hughes  
Name: Catherine L. Hughes  
Title: *Chairperson, Director and Secretary*

By: /s/ Alfred C. Liggins, III  
Name: Alfred C. Liggins, III  
Title: *Chief Executive Officer, President and Director*

By: /s/ Terry L. Jones  
Name: Terry L. Jones  
Title: *Director*

By: /s/ Brian W. McNeill  
Name: Brian W. McNeill  
Title: *Director*

By: /s/ B. Doyle Mitchell, Jr.  
Name: B. Doyle Mitchell, Jr.  
Title: *Director*

By: /s/ D. Geoffrey Armstrong  
Name: D. Geoffrey Armstrong  
Title: *Director*

**Report of Independent Registered Public Accounting Firm**

Shareholders and Board of Directors  
Urban One, Inc.  
Silver Spring, Maryland

**Opinion on Internal Control over Financial Reporting**

We have audited Urban One, Inc.'s (the "Company's") internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO criteria"). In our opinion, the Company did not maintain, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on the COSO criteria.

We do not express an opinion or any other form of assurance on management's statements referring to any corrective actions taken by the Company after the date of management's assessment.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheets of the Company as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income, changes in stockholders' equity, and cash flows for each of the years then ended, and the related notes (collectively referred to as "the consolidated financial statements") and our report dated June 30, 2023 expressed an unqualified opinion thereon.

**Basis for Opinion**

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying "Item 9A, Management's Report on Internal Control over Financial Reporting". Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of internal control over financial reporting in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. Material weaknesses regarding management's failure to design and maintain controls have been identified and described in management's assessment. The material weaknesses related to:

1) entity-level controls impacting the control environment, risk assessment procedures and monitoring activities; and 2) control activities which include: a) information technology general controls ("ITGCs") in the areas of user access, program change management, and segregation of duties for certain information technology systems that support the Company's financial reporting and other processes; b) proper segregation of duties relating to the review of manual journal entries; c) effective controls over revenue, income taxes, content assets, launch assets, the preparation of the statements of cash flows and certain financial statement disclosures; d) effective review controls over the accounting and disclosures related to the investment in MGM National Harbor; and e) effective controls over the completeness and accuracy of the balances of radio broadcasting licenses, goodwill and related accounts, specifically, the Company's monitoring and control activities related to review of key third-party reports and assumptions used in the valuation of its radio broadcasting licenses, goodwill and related accounts.

These material weaknesses were considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2022 consolidated financial statements, and this report does not affect our report dated June 30, 2023 on those consolidated financial statements.

**Definition and Limitations of Internal Control over Financial Reporting**

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ BDO USA, LLP

Potomac, Maryland  
June 30, 2023



## **Report of Independent Registered Public Accounting Firm**

Shareholders and Board of Directors  
Urban One, Inc.  
Silver Spring, Maryland

### **Opinion on the Consolidated Financial Statements**

We have audited the accompanying consolidated balance sheets of Urban One, Inc. (the "Company") as of December 31, 2022 and 2021, the related consolidated statements of operations, comprehensive income, changes in stockholders' equity, and cash flows for each of the years then ended, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and our report dated June 30, 2023 expressed an adverse opinion thereon.

### **Restatement to Correct 2021 Misstatements**

As discussed in Note 2 to the consolidated financial statements, the 2021 consolidated financial statements have been restated to correct misstatements.

### **Basis for Opinion**

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

### **Critical Audit Matters**

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

### **Valuation of Certain Radio Broadcasting Licenses**

As described in Notes 3, 4 and 6 to the consolidated financial statements, the Company acquired radio broadcasting licenses valued at approximately \$23.6 million in 2022 and had total radio broadcasting licenses of approximately \$488.4 million as of December 31, 2022. The Company tests radio broadcasting licenses for impairment annually, on October 1, or more frequently when events or circumstances or other conditions suggest impairment may have occurred. With the assistance

of a third-party valuation firm, the Company estimates the fair value of radio broadcasting licenses acquired in business combinations and being tested for impairment using the income approach, which involves judgmental estimates and assumptions about market revenue and projected revenue growth by market, mature market share, mature operating profit margin, discount rate and the terminal growth rate.

We have identified the Company's estimate of the fair value of the radio broadcasting licenses acquired in the business combination and certain licenses being tested for impairment as a critical audit matter. The fair value estimates are sensitive to changes in the significant assumptions such as market revenue and projected revenue growth by market, mature market share, mature operating profit margin, the discount rate and the terminal growth rate. Auditing these assumptions required increased auditor effort including the use of valuation specialists.

The primary procedures we performed to address this critical audit matter included:

- Evaluating the reasonableness of the market revenue and mature market share utilized in the Company's forecasts for selected licenses by comparing to external market data and evaluating the projected revenue growth by market by comparing to external industry and market data.
- Utilizing professionals with specialized knowledge and experience in valuation to test the appropriateness of the mature operating profit margin, discount rate and terminal growth rate used.

***Radio Market Goodwill Impairment Assessment***

As described in Notes 3 and 6 to the consolidated financial statements, the Company's radio broadcasting segment goodwill balance was approximately \$30.0 million as of December 31, 2022. The Company tests goodwill for impairment annually, on October 1, or more frequently when events or changes in circumstances or other conditions suggest impairment may have occurred. An impairment exists when the radio market reporting unit's carrying value exceeds its fair value. With the assistance of a third-party valuation firm, the Company estimates the fair value of its reporting units primarily using an income approach, which involves judgmental estimates and assumptions about revenue growth rates, future operating profit margins, the terminal growth rate and the discount rate.

We have identified the estimate of the fair value of certain of the Company's radio market reporting units as a critical audit matter. The fair value estimates are sensitive to changes in the significant assumptions such as the revenue growth rates, future operating profit margins, the terminal growth rate and the discount rate. Auditing these assumptions required increased auditor effort including the use of valuation specialists.

The primary procedures we performed to address this critical audit matter included:

- Testing the reasonableness of the revenue growth rates by comparing to external industry and market data and evaluating the future operating profit margins utilized in the Company's forecasts for selected radio market reporting units by comparing to recent historical results of the Company.
- Utilizing professionals with specialized knowledge and experience in valuation to test the appropriateness of the terminal growth rate and discount rate used.

***Amortization of Commissioned Programming Content Assets***

As described in Notes 3 and 7 to the consolidated financial statements, the Company's cable television segment engages third parties to develop and produce content, including original programming ("commissioned programming") which is predominantly monetized as content groups determined by separate television programming genres. Content amortization expense for commissioned programming is based on an estimate of the Company's usage and benefit from such program based on a revenue forecast model. Management regularly reviews, and revises when necessary, its total revenue estimates, which may result in a change in the rate of amortization. The Company recognized \$43.5 million of total amortization of content assets for the year ended December 31, 2022 which includes the amortization of commissioned programming content assets.

We have identified the amortization of the Company's commissioned programming content assets as a critical audit matter. Management's estimates of remaining total revenues are sensitive to changes in projected viewership which is based on estimated household universe, ratings, and expected number of airings across different broadcast time slots. Auditing these inputs used in the amortization calculation for commissioned programming content assets required increased auditor effort in performing procedures and evaluating audit evidence.

The primary procedures we performed to address this critical audit matter included:

- Testing management's forecasted amortization pattern for commissioned programming content asset groups through comparison of forecasted assumptions of estimated household universe, ratings and expected number of airings across different broadcast time slots to actual data from historical periods and subsequent to the balance sheet date.
- Testing the completeness and accuracy of the historical viewership data including estimated household universe, ratings and number of airings across different broadcast time slots used to calculate the estimate of total remaining revenues.

/s/ BDO USA, LLP

We have served as the Company's auditor since 2016.  
Potomac, Maryland  
June 30, 2023

**URBAN ONE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

	As of	
	December 31, 2022	December 31, 2021
	(As Restated)	
	(In thousands, except share data)	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 75,404	\$ 132,245
Restricted cash	19,975	19,973
Trade accounts receivable, net of allowance for doubtful accounts of \$8,811 and \$8,743, respectively	143,264	127,759
Prepaid expenses	8,729	2,967
Current portion of content assets	34,003	25,883
Other current assets	8,372	3,497
Total current assets	289,747	312,324
<b>CONTENT ASSETS, net</b>	86,378	60,155
<b>PROPERTY AND EQUIPMENT, net</b>	27,758	26,291
<b>GOODWILL</b>	216,599	223,402
<b>RIGHT OF USE ASSETS</b>	31,879	37,956
<b>RADIO BROADCASTING LICENSES</b>	488,419	501,420
<b>OTHER INTANGIBLE ASSETS, net</b>	55,193	47,921
<b>DEBT SECURITIES - available-for-sale, at fair value; amortized cost of \$40,000 at December 31, 2022 and 2021</b>	136,826	112,600
<b>OTHER ASSETS</b>	5,688	6,956
Total assets	<u>\$ 1,338,487</u>	<u>\$ 1,329,025</u>
<b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 18,003	\$ 16,892
Accrued interest	23,111	25,458
Accrued compensation and related benefits	17,421	10,960
Current portion of content payables	26,718	18,972
Current portion of lease liabilities	8,690	10,072
Other current liabilities	36,320	24,430
Total current liabilities	130,263	106,784
<b>LONG-TERM DEBT, net of original issue discount and issuance costs</b>	739,000	818,616
<b>CONTENT PAYABLES, net of current portion</b>	10,365	2,865
<b>LONG-TERM LEASE LIABILITIES</b>	25,545	31,228
<b>OTHER LONG-TERM LIABILITIES</b>	34,540	28,320
<b>DEFERRED TAX LIABILITIES, net</b>	39,704	18,877
Total liabilities	979,417	1,006,690
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>REDEEMABLE NONCONTROLLING INTERESTS</b>	25,298	18,655
<b>STOCKHOLDERS' EQUITY:</b>		
Convertible preferred stock, \$.001 par value, 1,000,000 shares authorized; no shares outstanding at December 31, 2022 and 2021	—	—
Common stock — Class A, \$.001 par value, 30,000,000 shares authorized; 9,854,682 and 9,104,916 shares issued and outstanding as of December 31, 2022 and 2021, respectively	10	9
Common stock — Class B, \$.001 par value, 150,000,000 shares authorized; 2,861,843 shares issued and outstanding as of December 31, 2022 and 2021	3	3
Common stock — Class C, \$.001 par value, 150,000,000 shares authorized; 2,045,016 and 2,045,016 shares issued and outstanding as of December 31, 2022 and 2021, respectively	2	2
Common stock — Class D, \$.001 par value, 150,000,000 shares authorized; 33,618,227 and 37,324,737 shares issued and outstanding as of December 31, 2022 and 2021, respectively	34	37
Accumulated other comprehensive income	73,227	54,950
Additional paid-in capital	993,484	1,018,996
Accumulated deficit	(732,988)	(770,317)
Total stockholders' equity	333,772	303,680
Total liabilities, redeemable noncontrolling interests and stockholders' equity	<u>\$ 1,338,487</u>	<u>\$ 1,329,025</u>

The accompanying notes are an integral part of these consolidated financial statements.

**URBAN ONE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Years Ended December 31,	
	2022	2021
	(As Restated)	
	(In thousands, except share data)	
<b>NET REVENUE</b>	\$ 484,604	\$ 440,285
<b>OPERATING EXPENSES:</b>		
Programming and technical, including stock-based compensation of \$7 and \$20, respectively	122,636	119,092
Selling, general and administrative, including stock-based compensation of \$239 and \$31, respectively	160,230	142,010
Corporate selling, general and administrative, including stock-based compensation of \$6,349 and \$514, respectively	56,334	51,351
Depreciation and amortization	10,034	9,289
Impairment of long-lived assets	40,683	2,104
Total operating expenses	389,917	323,846
Operating income	94,687	116,439
<b>INTEREST INCOME</b>	939	218
<b>INTEREST EXPENSE</b>	61,751	65,702
<b>(GAIN) LOSS ON RETIREMENT OF DEBT</b>	(6,718)	6,949
<b>OTHER INCOME, net</b>	(16,083)	(8,134)
Income before provision for income taxes and noncontrolling interests in income of subsidiaries	56,676	52,140
<b>PROVISION FOR INCOME TAXES</b>	16,721	13,034
<b>NET INCOME</b>	39,955	39,106
<b>NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>	2,626	2,315
<b>NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 37,329	\$ 36,791
<b>BASIC NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>		
Net income attributable to common stockholders	\$ 0.76	\$ 0.73
<b>DILUTED NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>		
Net income attributable to common stockholders	\$ 0.72	\$ 0.68
<b>WEIGHTED AVERAGE SHARES OUTSTANDING:</b>		
Basic	48,928,063	50,163,600
Diluted	52,174,337	54,136,641

The accompanying notes are an integral part of these consolidated financial statements.

**URBAN ONE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended December 31,	
	2022	2021
		(As Restated)
		(In thousands)
<b>OTHER COMPREHENSIVE INCOME, BEFORE TAX:</b>		
Unrealized gain on available-for-sale securities	\$ 24,226	\$ 9,500
Income tax expense related to unrealized gain on available-for-sale securities	(5,949)	(2,305)
<b>OTHER COMPREHENSIVE INCOME, NET OF TAX</b>	<b>18,277</b>	<b>7,195</b>
<b>COMPREHENSIVE INCOME</b>	<b>\$ 58,232</b>	<b>\$ 46,301</b>
<b>LESS: COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>	<b>2,626</b>	<b>2,315</b>
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ 55,606</b>	<b>\$ 43,986</b>

The accompanying notes are an integral part of these consolidated financial statements.

**URBAN ONE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**  
**For The Years Ended December 31, 2021 and 2022**

	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Equity
(In thousands, except share data)									
BALANCE, as of December 31, 2020 (As Restated)	\$ —	\$ 4	\$ 3	\$ 3	\$ 38	\$ 47,755	\$ 990,528	\$ (807,108)	\$ 231,223
Net income, as restated	—	—	—	—	—	—	—	36,791	36,791
Stock-based compensation expense	—	—	—	—	—	—	565	—	565
Issuance of 3,779,391 shares of Class A common stock	—	4	—	—	—	—	33,273	—	33,277
Repurchase of 521,877 shares of Class D common stock	—	—	—	—	(1)	—	(969)	—	(970)
Exercise of options for 229,756 shares of Class D common stock	—	—	—	—	—	—	397	—	397
Conversion of 883,890 shares of Class C common stock to 883,890 shares of Class A common stock	—	1	—	(1)	—	—	—	—	—
Other comprehensive income, net of tax, as restated	—	—	—	—	—	7,195	—	—	7,195
Adjustment of redeemable noncontrolling interests to estimated redemption value, as restated	—	—	—	—	—	—	(4,798)	—	(4,798)
BALANCE, as of December 31, 2021 (As Restated)	\$ —	\$ 9	\$ 3	\$ 2	\$ 37	\$ 54,950	\$ 1,018,996	\$ (770,317)	\$ 303,680
Net income	—	—	—	—	—	—	—	37,329	37,329
Stock-based compensation expense	—	1	—	—	1	—	6,593	—	6,595
Repurchase of 5,124,671 shares of Class D common stock	—	—	—	—	(4)	—	(26,539)	—	(26,543)
Exercise of options for 60,240 shares of Class D common stock	—	—	—	—	—	—	50	—	50
Other comprehensive income, net of tax	—	—	—	—	—	18,277	—	—	18,277
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(5,616)	—	(5,616)
BALANCE, as of December 31, 2022	<u>\$ —</u>	<u>\$ 10</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 34</u>	<u>\$ 73,227</u>	<u>\$ 993,484</u>	<u>\$ (732,988)</u>	<u>\$ 333,772</u>

The accompanying notes are an integral part of these consolidated financial statements.

**URBAN ONE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Years Ended	
	December 31,	
	2022	2021
	(As Restated)	
	(In thousands)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 39,955	\$ 39,106
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortization	10,034	9,289
Amortization of debt financing costs	1,989	2,267
Amortization of content assets	43,533	47,126
Amortization of launch assets	4,380	1,600
Bad debt expense	1,425	1,584
Deferred income taxes	14,878	11,971
Reduction in the carrying amount of right of use assets	8,716	7,793
Non-cash interest expense	—	158
Impairment of goodwill and broadcasting licenses	40,683	2,104
Stock-based compensation	6,595	565
Non-cash fair value adjustment of Employment Agreement Award	2,129	6,163
Non-cash income on PPP loan forgiveness	(7,575)	—
(Gain) loss on retirement of debt	(6,718)	6,949
Gain on asset exchange agreement	—	404
Effect of change in operating assets and liabilities, net of assets acquired:		
Trade accounts receivable	(16,930)	(22,807)
Prepaid expenses and other current assets	(6,691)	6,651
Other assets	1,022	(13,745)
Accounts payable	1,111	3,606
Accrued interest	(2,347)	17,441
Accrued compensation and related benefits	6,461	(1,342)
Other liabilities	(3,710)	(1,288)
Payment of launch support	(9,250)	—
Changes in content assets	(62,630)	(45,445)
Net cash flows provided by operating activities	67,060	80,150
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(6,763)	(6,286)
Proceeds from sale of broadcasting assets	3,080	8,000
Acquisition of broadcasting assets	(25,000)	—
Net cash flows (used in) provided by investing activities	(28,683)	1,714
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayment of 2017 credit facility	—	(317,332)
Proceeds from issuance of Class A common stock, net of fees	—	33,277
Repayment of 2018 credit facility	—	(129,935)
Proceeds from exercise of stock options	50	397
Repurchase of 2028 Notes	(67,124)	—
Payment of dividends to noncontrolling interest members of Reach Media	(1,599)	(2,400)
Repurchase of common stock	(26,543)	(970)
Proceeds from 2028 Notes	—	825,000
Proceeds from PPP Loan	—	7,505
Debt refinancing costs	—	(11,157)
Repayment of MGM National Harbor Loan	—	(57,889)
Repayment of 7.375% Notes	—	(2,984)
Repayment of 8.75% Notes	—	(347,016)
Net cash flows used in financing activities	(95,216)	(3,504)
<b>(DECREASE) INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>(56,839)</b>	<b>78,360</b>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, beginning of period	152,218	73,858
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH, end of period</b>	<b>\$ 95,379</b>	<b>\$ 152,218</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for:		
Interest	\$ 62,039	\$ 45,836
Income taxes, net of refunds	\$ 2,089	\$ 1,142
<b>NON-CASH OPERATING, FINANCING AND INVESTING ACTIVITIES:</b>		
Assets acquired under Audacy asset exchange	\$ —	\$ 28,193
Liabilities recognized under asset exchange/asset acquisition	\$ 1,240	\$ 2,669
Right of use asset and lease liability additions	\$ 3,876	\$ 6,392
Right of use asset and lease liability terminations	\$ 2,418	\$ —
Non-cash launch additions	\$ 9,500	\$ —
Non-cash content asset additions	\$ 15,246	\$ —
Adjustment of redeemable noncontrolling interests to estimated redemption value	\$ 5,616	\$ 4,798

The accompanying notes are an integral part of these consolidated financial statements.



**URBAN ONE, INC. AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2022 and 2021**

**1. ORGANIZATION:**

Urban One, Inc., a Delaware corporation, and its subsidiaries, (collectively, "Urban One," the "Company", "we", "our" and/or "us") is an urban-oriented, multi-media company that primarily targets African-American and urban consumers. Our core business is our radio broadcasting franchise which is the largest radio broadcasting operation that primarily targets African-American and urban listeners. As of December 31, 2022, we owned and/or operated 66 independently formatted, revenue producing broadcast stations (including 55 FM or AM stations, 9 HD stations, and the 2 low power television stations we operate), located in 13 of the most populous African-American markets in the United States. While a core source of our revenue has historically been and remains the sale of local and national advertising for broadcast on our radio stations, our strategy is to operate the premier multi-media entertainment and information content platform targeting African-American and urban consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our diverse media and entertainment interests include TV One, LLC ("TV One"), which operates two cable television networks targeting African-American and urban viewers, TV One and CLEO TV; our 80.0% ownership interest in Reach Media, Inc. ("Reach Media") which operates the Rickey Smiley Morning Show and our other syndicated programming assets, including the Get Up! Mornings with Erica Campbell Show, Russ Parr Morning Show and the DL Hughley Show; and Interactive One, LLC ("Interactive One"), our wholly owned digital platform serving the African-American community through social content, news, information, and entertainment websites, including its iONE Digital, Cassius and Bossip, HipHopWired and MadameNoire digital platforms and brands. As of December 31, 2022, we held a minority ownership interest in MGM National Harbor (the "MGM Investment"), a gaming resort located in Prince George's County, Maryland. As of March 2023, following the exercise of a put option available to us, we no longer hold the MGM Investment, please refer to Note 18 – *Subsequent Events* to our consolidated financial statements for more details. Through our national multi-media operations, we provide advertisers with a unique and powerful delivery mechanism to communicate with African-American and urban audiences.

Our core radio broadcasting franchise operates under the brand "Radio One." We also operate other brands, such as TV One, CLEO TV, Reach Media, iONE Digital and One Solution, while developing additional branding reflective of our diverse media operations and our targeting of African-American and urban audiences.

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company's four reportable segments: (i) radio broadcasting; (ii) Reach Media; (iii) digital; and (iv) cable television. (See Note 16 – *Segment Information* of our consolidated financial statements.)

***Basis of Presentation***

The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") and require management to make certain estimates and assumptions. These estimates and assumptions may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements. The Company bases these estimates on historical experience, current economic environment or various other assumptions that are believed to be reasonable under the circumstances. However, continuing economic uncertainty and any disruption in financial markets increase the possibility that actual results may differ from these estimates.

***Principles of Consolidation***

The consolidated financial statements include the accounts and operations of Urban One and subsidiaries in which Urban One has a controlling financial interest, which is generally determined when the Company holds a majority voting interest. All intercompany accounts and transactions have been eliminated in consolidation. Noncontrolling interests have been recognized where a controlling interest exists, but the Company owns less than 100% of the controlled entity.

## 2. RESTATEMENT OF FINANCIAL STATEMENTS:

In connection with the preparation of the consolidated financial statements for the year ended December 31, 2022, the Company re-evaluated its accounting for the valuation of the MGM Investment and determined that adjustments are required to its previously issued financial statements as of December 31, 2021 and the interim periods ended March 31, June 30, and September 30, 2022 and 2021 (collectively, the "Affected Periods") due to understatements in the value of the MGM Investment, and related tax effects. In accordance with accounting guidance presented in ASC 250-10, SEC Staff Accounting Bulletin No. 99, "Materiality", and SAB No. 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements" for the purpose of a materiality assessment, management assessed the materiality of the error and concluded that it was material to the Company's financial statements included in the Company's annual report on Form 10-K and quarterly reports on Form 10-Q covering the Affected Periods.

In addition to the adjustments related to the MGM Investment, the Company included corrections for misstatements that were deemed immaterial to any period presented in our previously issued financial statements. These misstatements are related to radio broadcasting license impairment, right of use assets, fair value of the Reach Media redeemable noncontrolling interest, amortization of certain launch assets, misclassifications of certain balance sheet items, and any related tax effects. The Company also corrected certain line items within the statements of cash flows and certain disclosures relating to deferred tax assets and content assets for errors identified.

Accordingly, the Company has restated herein its audited financial statements as of and for the year ended December 31, 2021. The Company has also restated its unaudited quarterly financial statements as of and for all quarters in the year ended December 31, 2021 and as of and for the quarters ended March 31, June 30, and September 30, 2022 in Note 17 to the consolidated financial statements.

### Restatement Background

#### ***MGM Investment***

Prior to and as of the period ended September 30, 2022, the Company accounted for its investment in MGM National Harbor at cost less impairment under ASC 321, "*Investments – Equity Securities*" ("ASC 321") and included the amortized cost of the MGM investment in other assets on the consolidated balance sheets. Distribution income associated with the investment was recorded in other income on the consolidated statements of operations. In connection with the preparation of its financial statements for the year ended December 31, 2022, the Company identified that the MGM Investment should have been classified as an available-for-sale ("AFS") debt security in a separate financial line item in the Company's consolidated balance sheets through December 31, 2022 and measured at fair value in accordance with ASC 320, "*Investments – Debt Securities*" ("ASC 320") with unrealized gains and losses included in other comprehensive income ("OCI"), within accumulated other comprehensive income ("AOCI"). As a result, the Company has made corrections to record opening adjustments, unrealized gains and losses, and associated tax impacts and classify financial line items appropriately for the Affected Periods.

The correction of this misstatement resulted in approximately \$112.6 million being recorded to debt security – available-for-sale, a decrease to other assets of \$40.0 million, an increase to deferred tax liabilities, net of approximately \$17.6 million, an increase to accumulated other comprehensive income of approximately \$55.0 million, and a decrease to accumulated deficit of less than \$100,000 in the consolidated balance sheet as of December 31, 2021. An amount of approximately \$7.2 million was recorded as an unrealized gain on available-for-sale securities, net of tax in the consolidated statement of comprehensive income for the year ended December 31, 2021. The Company recorded an opening balance adjustment of approximately \$47.8 million within AOCI in the December 31, 2021 consolidated statement of changes in stockholders' equity. This correction did not have a material impact on the consolidated statement of operations and consolidated statement of cash flows for the year ended December 31, 2021.

## Other Adjustments

### **Radio Broadcast License Impairment**

During the impairment assessment in the second quarter of 2022, the Company became aware that a specific assumption used to estimate total market revenues in the valuation of the Houston and Dallas assets for the three years ended December 31, 2019, 2020, and 2021 was incorrect and resulted in overstatements of the fair value of the radio broadcasting licenses by approximately \$1.1 million, \$2.8 million, and \$2.1 million as of December 31, 2019, March 31, 2020, and December 31, 2021, respectively, and understated by approximately \$2.3 million as of September 30, 2020. Accordingly, the Company recorded an out-of-period non-cash impairment charge of approximately \$3.7 million during the three months ended June 30, 2022 as the Company determined that the errors were not material to any previous period and that correcting the errors in the three-month and six-month periods ended June 30, 2022 would not materially misstate net revenue or pre-tax income for the full year, as of and for the period ended December 31, 2022, or the earnings trend and therefore could be corrected in the period ending June 30, 2022. Additionally, during the preparation of the financial statements for the year ended December 31, 2022, the Company identified that certain assumptions used in the valuation of the Atlanta, Dallas, Houston, Raleigh, and Richmond assets for the quarters ended June 30 and September 30, 2022 were incorrect and resulted in overstatements of the fair value of the radio broadcasting licenses by approximately \$1.7 million and \$1.0 million, respectively. The Company, in the process of rectifying the material MGM Investment error identified above, determined it was necessary to accurately reflect the out-of-period non-cash impairment charge of approximately \$3.7 million across all Affected Periods and to record the non-cash impairment charges of approximately \$1.7 million and \$1.0 million for the second and third quarters of 2022, respectively. Consequently, the Company made the following adjustments: a reversal of the \$3.7 million impairment charge recorded in the second quarter of 2022, an opening balance sheet adjustment of a \$1.6 million non-cash impairment charge for 2019 and 2020 during the first quarter of 2021, a \$2.1 million impairment charge in the fourth quarter of 2021, and approximately \$1.7 million and \$1.0 million of impairment charges during the second and third quarters of 2022. Additionally, the Company included the associated tax implications of these adjustments.

The correction of this misstatement resulted in a decrease to radio broadcasting licenses of \$3.7 million, an increase to deferred tax assets, net of \$905,000, and an increase to accumulated deficit of \$2.8 million in the consolidated balance sheet as of December 31, 2021. Impairment of long-lived assets increased by \$2.1 million and provision for income taxes decreased by \$510,000 in the consolidated statement of operations for the year ended December 31, 2021. Comprehensive income in the consolidated statements of comprehensive income for the year ended December 31, 2021, decreased by \$1.6 million. The Company recorded an opening balance adjustment of \$1.2 million and an adjustment of \$1.6 million to reduce consolidated net income within accumulated deficit in the December 31, 2021 consolidated statement of changes in stockholders' equity. While in the consolidated statement of cash flows for the year ended December 31, 2021, this correction reduced consolidated net income by \$1.6 million, reduced deferred income taxes by \$510,000, and increased impairment of long-lived assets by \$2.1 million, it had no impact on total net cash flows (used in) provided by operating, investing, or financing activities.

### **Right of Use Assets**

During the adoption of ASC 842, "Leases" ("ASC 842") in 2019, the Company discovered that approximately \$1.3 million of deferred rent balances were not correctly accounted for, and as such, this resulted in an overstatement of right of use ("ROU") assets for the same amount. The Company determined that the errors were not material and not correcting the errors would not materially misstate net revenue, pre-tax income, or the earnings trend in any previous or future periods. The Company, in the process of rectifying the material MGM Investment error identified above, determined it was necessary to correct these errors. Consequently, the Company has made corrections to record an opening balance sheet adjustment and associated tax impacts for the Affected Periods.

The correction of this misstatement resulted in a decrease to ROU assets of approximately \$1.3 million, a decrease to deferred tax assets, net of approximately \$308,000, and an increase to accumulated deficit of \$960,000 in the consolidated balance sheet as of December 31, 2021. The opening balance within accumulated deficit in the December

31, 2021 consolidated statement of changes in stockholders' equity was increased by \$960,000. This correction did not impact the consolidated statement of operations, consolidated statement of comprehensive income, and consolidated statement of cash flows for the year ended December 31, 2021.

***Reach Media Redeemable Noncontrolling Interest***

The redeemable noncontrolling interest is measured at fair value using a discounted cash flow methodology, adjusted for excess available working capital. In connection with the preparation of its financial statements for the year ended December 31, 2022, the Company identified an error in its calculation of excess working capital which understated the value of the redeemable noncontrolling interest. As a result, the Company determined it was necessary to correct the error and recorded opening adjustments to the redeemable noncontrolling interests and additional paid-in capital ("APIC") for the Affected Periods.

The correction of this misstatement resulted in an increase to redeemable noncontrolling interest and a decrease to additional paid-in capital of approximately \$1.6 million in the consolidated balance sheet as of December 31, 2021. The Company recorded \$399,000 to increase the adjustment of redeemable noncontrolling interests to estimated redemption value and recorded an opening balance adjustment of approximately \$1.2 million within APIC in the December 31, 2021 consolidated statement of changes in stockholders' equity. This correction did not impact the consolidated statement of operations, consolidated statement of comprehensive income, and consolidated statement of cash flows for the year ended December 31, 2021.

***Launch Assets***

The cable television segment has entered into certain affiliate agreements requiring various payments for launch support, which are used to initiate carriage under affiliation agreements and are amortized over the term of the respective contracts. The Company has historically recorded amortization associated with certain launch assets within selling, general and administrative expense in the consolidated statements of operations. In connection with the preparation of its financial statements for the year ended December 31, 2022, the Company determined that this amortization should have been recorded as a reduction to revenue. As a result, the Company has reclassified the amortization to reduce selling, general and administrative expense and net revenue in the consolidated statements of operations for the Affected Periods.

The correction of this misstatement decreased both net revenue and selling, general and administrative expense by approximately \$1.2 million in the December 31, 2021 consolidated statement of operations. This correction did not impact any other consolidated financial statements as of and for the year ended December 31, 2021.

***Balance Sheet Misclassifications***

The Company recorded adjustments to recognize certain balance sheet misclassifications for the Affected Periods. These adjustments primarily related to the classification of other current assets, other assets, other intangible assets, net, right of use assets, trade accounts receivable, net, other current liabilities, and accounts payable.

***Disclosure Exceptions***

In reconciling the income tax provision to actual tax returns filed, the Company identified that the 2021 estimate of nondeductible interest expense was calculated incorrectly. This error resulted in a disclosure exception within the Income Taxes footnote with net operating loss carryforwards overstated and interest expense carryforward understated, both by approximately \$4.9 million. The disclosure exception did not have any impact on the consolidated financial statements for any of the prior periods. The Company, in the process of rectifying the material MGM Investment error identified above, determined it was necessary to correct the disclosure exception by revising the balances for net operating loss carryforwards and interest expense carryforward as of December 31, 2021 as disclosed within the Income Taxes footnote in these consolidated financial statements.

During the fourth quarter of 2022, the Company identified certain fully amortized content assets that were no longer in service. Accordingly, balances associated with these fully amortized assets have been adjusted in the presentation of content assets in the Company's footnote disclosures as of December 31, 2021. Specifically, the Company has reflected a reduction to 'Completed' content assets of approximately \$279.3 million, a reduction to 'Acquired Licensed' content assets of approximately \$4.6 million, and a decrease to accumulated amortization of approximately \$283.9 million as of December 31, 2021. In addition, the Company recorded an adjustment of \$837,000 from 'Completed' content assets to 'In-Production' content assets. This correction did not impact total net content assets disclosed within the footnote and included in the consolidated financial statements as of and for the year ended December 31, 2021.

#### **Statements of Cash Flows**

Prior to and as of the period ended September 30, 2022, the Company presented non-cash lease liability expense as an adjustment to net income within the consolidated statements of cash flows. During the fourth quarter of 2022, the Company identified that the non-cash lease liability expense should have been presented as a change in other liabilities and determined that it was necessary to correct the error for the Affected Periods.

The correction of this misstatement resulted in a reduction to non-cash lease liability expense and an increase to other liabilities by approximately \$4.7 million in the consolidated statement of cash flows as of December 31, 2021. This correction had no impact on total net cash flows (used in) provided by operating, investing, or financing activities or any other consolidated financial statements as of and for the year ended December 31, 2021.

#### **Description of Restatement Tables**

The following tables reflect the impact of the restatement to the specific line items presented in the Company's consolidated balance sheets, consolidated statements of operations, consolidated statements of comprehensive income, consolidated statements of changes in stockholders' equity, and consolidated statements of cash flows as of and for the year ended December 31, 2021. The previously reported amounts were derived from the Company's Original Filing. These amounts are labeled "As Previously Reported" in the tables below. The column labeled "Adjustments" represents the impact of the correction of the MGM Investment. The column labeled "Other Adjustments" represents the combined effects of the corrections of the misstatements relating to radio broadcasting license impairment, right of use assets, fair value of the Reach Media redeemable noncontrolling interest, amortization of certain launch assets, misclassifications of certain line items in the balance sheets and statements of cash flows, and any related tax effects, as described above, that were deemed immaterial to any period presented in our previously issued financial statements.

**Consolidated Balance Sheets**

	As of December 31, 2021			
	As Previously Reported	Adjustments	Other Adjustments	As Restated
	(In thousands)			
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Trade accounts receivable, net of allowance for doubtful accounts of \$8,743	\$ 127,446	\$ —	\$ 313	\$ 127,759
Other current assets	4,760	—	(1,263)	3,497
Total current assets	313,274	—	(950)	312,324
<b>RIGHT OF USE ASSETS</b>	38,044	—	(88)	37,956
<b>RADIO BROADCASTING LICENSES</b>	505,148	—	(3,728)	501,420
<b>OTHER INTANGIBLE ASSETS, net</b>	50,159	—	(2,238)	47,921
<b>DEBT SECURITIES - available-for-sale, at fair value; amortized cost of \$40,000</b>	—	112,600	—	112,600
<b>OTHER ASSETS</b>	44,635	(40,000)	2,321	6,956
Total assets	<u>\$ 1,261,108</u>	<u>\$ 72,600</u>	<u>\$ (4,683)</u>	<u>\$ 1,329,025</u>
<b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable	\$ 14,588	\$ —	\$ 2,304	\$ 16,892
Other current liabilities	26,421	—	(1,991)	24,430
Total current liabilities	106,471	—	313	106,784
<b>DEFERRED TAX LIABILITIES, net</b>	2,473	17,617	(1,213)	18,877
Total liabilities	989,973	17,617	(900)	1,006,690
<b>REDEEMABLE NONCONTROLLING INTERESTS</b>	17,015	—	1,640	18,655
<b>STOCKHOLDERS' EQUITY:</b>				
Accumulated other comprehensive income	—	54,950	—	54,950
Additional paid-in capital	1,020,636	—	(1,640)	1,018,996
Accumulated deficit	(766,567)	33	(3,783)	(770,317)
Total stockholders' equity	254,120	54,983	(5,423)	303,680
Total liabilities, redeemable noncontrolling interests and stockholders' equity	<u>\$ 1,261,108</u>	<u>\$ 72,600</u>	<u>\$ (4,683)</u>	<u>\$ 1,329,025</u>

**Consolidated Statements of Operations**

	Year Ended December 31, 2021			
	As Previously Reported	Adjustments	Other	As Restated
	(In thousands, except share data)			
<b>NET REVENUE</b>	\$ 441,462	\$ —	\$ (1,177)	\$ 440,285
<b>OPERATING EXPENSES:</b>				
Selling, general and administrative, including stock-based compensation of \$31	143,187	—	(1,177)	142,010
Impairment of long-lived assets	—	—	2,104	2,104
Total operating expenses	322,919	—	927	323,846
Operating income (loss)	118,543	—	(2,104)	116,439
Income (loss) before provision for (benefit from) income taxes and noncontrolling interests in income of subsidiaries	54,244	—	(2,104)	52,140
<b>PROVISION FOR (BENEFIT FROM) INCOME TAXES</b>	13,577	(33)	(510)	13,034
<b>NET INCOME (LOSS)</b>	40,667	33	(1,594)	39,106
<b>NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<u>\$ 38,352</u>	<u>\$ 33</u>	<u>\$ (1,594)</u>	<u>\$ 36,791</u>
<b>BASIC NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>				
Net income (loss) attributable to common stockholders	\$ 0.76	\$ —	\$ (0.03)	\$ 0.73
<b>DILUTED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>				
Net income (loss) attributable to common stockholders	<u>\$ 0.71</u>	<u>\$ —</u>	<u>\$ (0.03)</u>	<u>\$ 0.68</u>

**Consolidated Statements of Comprehensive Income**

	Year Ended December 31, 2021			
	As Previously Reported	Adjustments	Other Adjustments	As Restated
	(in thousands)			
<b>OTHER COMPREHENSIVE INCOME, BEFORE TAX:</b>				
Unrealized gain on available-for-sale securities	\$ —	\$ 9,500	\$ —	\$ 9,500
Income tax expense related to unrealized gain on available-for-sale securities	—	(2,305)	—	(2,305)
<b>OTHER COMPREHENSIVE INCOME, NET OF TAX</b>	—	7,195	—	7,195
<b>COMPREHENSIVE INCOME (LOSS)</b>	<b>\$ 40,667</b>	<b>\$ 7,228</b>	<b>\$ (1,594)</b>	<b>\$ 46,301</b>
<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ 38,352</b>	<b>\$ 7,228</b>	<b>\$ (1,594)</b>	<b>\$ 43,986</b>

**Consolidated Statements of Changes in Stockholders' Equity**

	As Previously Reported								
	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
<b>For the year ended December 31, 2021</b>									
BALANCE, as of December 31, 2020	\$ —	\$ 4	\$ 3	\$ 3	\$ 38	\$ —	\$ 991,769	\$ (804,919)	\$ 186,898
Net income	—	—	—	—	—	—	—	38,352	38,352
Stock-based compensation expense	—	—	—	—	—	—	565	—	565
Repurchase of 521,877 shares of Class D common stock	—	—	—	—	(1)	—	(969)	—	(970)
Issuance of 3,779,391 shares of Class A common stock	—	4	—	—	—	—	33,273	—	33,277
Exercise of options for 229,756 shares of Class D common stock	—	—	—	—	—	—	397	—	397
Conversion of 883,890 shares of Class C common stock to 883,890 shares of Class A common stock	—	1	—	(1)	—	—	—	—	—
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(4,399)	—	(4,399)
BALANCE, as of December 31, 2021	\$ —	\$ 9	\$ 3	\$ 2	\$ 37	\$ —	\$ 1,020,636	\$ (766,567)	\$ 254,120

	Adjustments and Other Adjustments								
	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
<b>For the year ended December 31, 2021</b>									
BALANCE, as of December 31, 2020	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 47,755	\$ (1,241)	\$ (2,189)	\$ 44,325
Net income	—	—	—	—	—	—	—	(1,561)	(1,561)
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(399)	—	(399)
Other comprehensive income, net of tax	—	—	—	—	—	7,195	—	—	7,195
Total Adjustments	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 54,950	\$ (1,640)	\$ (3,750)	\$ 49,560

	As Restated								
	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity
<b>For the year ended December 31, 2021</b>									
BALANCE, as of December 31, 2020	\$ —	\$ 4	\$ 3	\$ 3	\$ 38	\$ 47,755	\$ 990,528	\$ (807,108)	\$ 231,223
Net income	—	—	—	—	—	—	—	36,791	36,791
Stock-based compensation expense	—	—	—	—	—	—	565	—	565
Repurchase of 521,877 shares of Class D common stock	—	—	—	—	(1)	—	(969)	—	(970)
Issuance of 3,779,391 shares of Class A common stock	—	4	—	—	—	—	33,273	—	33,277
Exercise of options for 229,756 shares of Class D common stock	—	—	—	—	—	—	397	—	397
Conversion of 883,890 shares of Class C common stock to 883,890 shares of Class A common stock	—	1	—	(1)	—	—	—	—	—
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(4,798)	—	(4,798)
Other comprehensive income, net of tax	—	—	—	—	—	7,195	—	—	7,195
BALANCE, as of December 31, 2021	\$ —	\$ 9	\$ 3	\$ 2	\$ 37	\$ 54,950	\$ 1,018,996	\$ (770,317)	\$ 303,680

**Consolidated Statements of Cash Flows**

	Year Ended December 31, 2021			
	As Previously Reported	Adjustments	Other Adjustments	As Restated
	(In thousands)			
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Net income (loss)	\$ 40,667	\$ 33	\$ (1,594)	\$ 39,106
Adjustments to reconcile net income (loss) to net cash from operating activities:				
Deferred income taxes	12,514	(33)	(510)	11,971
Non-cash lease liability expense	4,684	—	(4,684)	—
Impairment of goodwill and broadcasting licenses	—	—	2,104	2,104
Effect of change in operating assets and liabilities, net of assets acquired:				
Trade accounts receivable	(22,734)	—	(73)	(22,807)
Accounts payable	3,453	—	153	3,606
Other liabilities	(5,892)	—	4,604	(1,288)
Net cash flows provided by operating activities	80,150	—	—	80,150
<b>NON-CASH OPERATING, FINANCING AND INVESTING ACTIVITIES:</b>				
Adjustment of redeemable noncontrolling interests to estimated redemption value	\$ 4,399	\$ —	\$ 399	\$ 4,798

The remainder of the notes to the Company's financial statements have been updated and restated, as applicable, to reflect the impacts of the restatement described above.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

**(a) Cash and Cash Equivalents and Restricted Cash**

Cash and cash equivalents consist of cash and money market funds at various commercial banks that have original maturities of 90 days or less. Investments with contractual maturities of 90 days or less from the date of original purchase are classified as cash and cash equivalents. For cash and cash equivalents, cost approximates fair value. The Company's cash and cash equivalents are insured by the Federal Deposit Insurance Corporation. The Company has amounts held with banks that may exceed the amount of insurance provided on such accounts. Generally, the balances may be redeemed upon demand and are maintained with financial institutions of reputable credit, and therefore, bear minimal credit risk.

On July 29, 2021, RVA Entertainment Holdings, LLC ("RVAEH"), a wholly owned unrestricted subsidiary of the Company, entered into a Host Community Agreement (the "Original HCA") with the City of Richmond (the "City") for the development of the ONE Casino + Resort (the "Project"). The Original HCA imposed certain obligations on RVAEH in connection with the development of the Project, including a \$26 million upfront payment (the "Upfront Payment") due upon successful passage of a citywide referendum permitting development of the Project (the "Referendum"). In connection with the Original HCA, RVAEH and its former development partner Pacific Peninsula Entertainment funded the Upfront Payment into escrow to be released to the City upon successful passage of the Referendum or back to RVAEH in the event the Referendum failed. In November 2021, the required Referendum was conducted and failed to pass. However, on January 24, 2022, the Richmond City Council adopted a new resolution in efforts to bring the ONE Casino + Resort to the City. The new resolution was the first of several steps in pursuit of a second referendum. The City and RVAEH then entered into a new Host Community Agreement (the "New HCA") which also included an Upfront Payment to be held in escrow and payable upon successful passage of a citywide referendum permitting development of the Project. After the City and RVAEH entered into the New HCA, the Virginia General Assembly passed legislation that sought to delay the second referendum that was anticipated to occur in November 2022. While there were some questions as to the applicability of the legislation, RVAEH and the City determined to adhere to the legislation and to seek a second referendum in November 2023. As a result of the efforts to obtain a second referendum, including execution of the New HCA and the determination to seek a second referendum in November 2023, the Upfront Payment remains in escrow. Therefore, the Company's portion of the Upfront Payment, approximately \$19.5 million is classified as restricted cash on the balance sheets as of December 31, 2022 and 2021.



**(b) Trade Accounts Receivable**

Trade accounts receivable which consists of both billed and unbilled receivables are recorded at their invoiced amount and are presented net of an allowance for doubtful accounts. The allowance for doubtful accounts is the Company's estimate of the amount of probable losses in the Company's existing accounts receivable portfolio. The Company determines the allowance based on the aging of the receivables, the impact of economic conditions on the advertisers' ability to pay and other factors. Inactive delinquent accounts that are past due beyond a certain amount of days are written off and often pursued by other collection efforts. Bankruptcy accounts are immediately written off upon receipt of the bankruptcy notice from the courts.

**(c) Goodwill and Indefinite-Lived Intangible Assets (Primarily Radio Broadcasting Licenses)**

In connection with past acquisitions, a significant amount of the purchase price was allocated to radio broadcasting licenses, goodwill and other intangible assets. Goodwill consists of the excess of the purchase price over the fair value of tangible and identifiable intangible net assets acquired. In accordance with Accounting Standards Codification ("ASC") 350, "*Intangibles - Goodwill and Other*," goodwill and other indefinite-lived intangible assets are not amortized, but are tested annually for impairment at the reporting unit level and unit of accounting level, respectively. We test for impairment annually, on October 1 of each year, or more frequently when events or changes in circumstances or other conditions suggest impairment may have occurred. Radio broadcasting license impairment exists when the asset carrying values exceed their respective fair values, and the excess is then recorded to operations as an impairment charge. We test for radio broadcasting license impairment at the unit of accounting level using the income approach, which involves, but is not limited to, judgmental estimates and assumptions about market revenue and projected revenue growth by market, mature market share, mature operating profit margin, discount rate and terminal growth rate. In testing for goodwill impairment, we also rely primarily on the income approach that estimates the fair value of the reporting unit, which involves, but is not limited to, judgmental estimates and assumptions about revenue growth rates, future operating profit margins, discount rate and terminal growth rate. We then perform a market-based analysis by comparing the average implied multiple arrived at based on our cash flow projections and estimated fair values to multiples for actual recently completed sale transactions and by comparing the total of the estimated fair values of our reporting units to the market capitalization of the Company. We recognize an impairment charge to operations in the amount that the reporting unit's carrying value exceeds its fair value. Any impairment charge recognized cannot exceed the total amount of goodwill allocated to the reporting unit.

**(d) Impairment of Long-Lived Assets and Intangible Assets, Excluding Goodwill and Indefinite-Lived Intangible Assets**

The Company accounts for the impairment of long-lived assets and intangible assets, excluding goodwill and other indefinite-lived intangible assets, in accordance with ASC 360, "*Property, Plant and Equipment*." Long-lived assets, excluding goodwill and other indefinite-lived intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be fully recoverable. These events or changes in circumstances may include a significant deterioration in operating results, changes in business plans, or changes in anticipated future cash flows. If an impairment indicator is present, the Company evaluates recoverability by a comparison of the carrying amount of the asset or group of assets to future undiscounted net cash flows expected to be generated by the asset or group of assets. Assets are grouped at the lowest levels for which there are identifiable cash flows that are largely independent of the cash flows generated by other asset groups. If the assets are impaired, the impairment recognized is measured by the amount by which the carrying amount exceeds the fair value of the asset or group of assets. Fair value is generally determined by estimates of discounted future cash flows. The discount rate used in any estimate of discounted cash flows would be the rate of return for a similar investment of like risk. The Company reviewed these long-lived assets during 2022 and 2021 and concluded no triggering events occurred and that no impairment to the carrying value of these assets was required.

**(e) Financial Instruments**

Financial instruments as of December 31, 2022 and 2021, consisted of cash and cash equivalents, restricted cash, trade accounts receivable, asset-backed credit facility, and long-term debt. The carrying amounts approximated fair value for each of these financial instruments as of December 31, 2022 and 2021, except for the Company's long-term debt. On January 25, 2021, the Company borrowed \$825 million in aggregate principal amount of senior secured notes due February 2028 (the "2028 Notes"). The 7.375% 2028 Notes had a carrying value of approximately \$750.0 million and fair value of approximately \$646.9 million as of December 31, 2022, and had a carrying value of approximately \$825.0 million and fair value of approximately \$851.8 million as of December 31, 2021. The fair values of the 2028 Notes, classified as Level 2 instruments, were determined based on the trading values of these instruments in an inactive market as of the reporting date. On June 1, 2021, the Company borrowed approximately \$7.5 million on a new PPP Loan (as defined in Note 11 – *Long-Term Debt*). During the three months ended June 30, 2022, the PPP Loan and related accrued interest was forgiven and recorded as other income in the amount of approximately \$7.6 million. The PPP Loan had a carrying value of approximately \$7.5 million and fair value of approximately \$7.5 million as of December 31, 2021. The fair value of the PPP Loan, classified as a Level 2 instrument, was determined based on the fair value of a similar instrument as of the reporting date using updated interest rate information derived from changes in interest rates since inception to the reporting date. There were no borrowings outstanding on the Company's asset-backed credit facility as of December 31, 2022 and 2021.

**(f) Revenue Recognition**

In accordance with Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)*, the Company recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. In general, our spot advertising (both radio and cable television) as well as our digital advertising is satisfied over time as advertising spots or impressions are delivered. For our cable television affiliate revenue, the Company grants a license to the affiliate to distribute television programming content through the license period, and the Company applies the sales-and usage-based royalty exception to recognize revenue based on the number of subscribers each month. Finally, for event-based revenue, the Company's events typically occur on one specified date when revenue is recognized. However, there may be performance obligations that are satisfied in the weeks leading up to the event, such as radio and digital advertising, and in such instances revenue is recognized as the underlying performance obligations are satisfied, based on the allocated transaction price and the pattern of delivery to the customer.

Within our radio broadcasting and Reach Media segments, revenues are generated from the sale of spot advertisements and sponsorships. Revenue is recognized for each performance obligation based on the allocated transaction price and the pattern of transfer to the customer. The Company records as revenue the amount of consideration that it receives. For our radio broadcasting and Reach Media segments, agency and outside sales representative commissions were approximately \$18.4 million and \$16.7 million for the years ended December 31, 2022 and 2021, respectively.

Within our digital segment, Interactive One generates the majority of the Company's digital revenue. Our digital revenue is principally derived from advertising services on non-radio station branded, but Company-owned websites. Advertising services include the sale of banner and sponsorship advertisements. As the Company runs its advertising campaigns, the customer simultaneously receives benefits as impressions are delivered, and revenue is recognized over time. The amount of revenue recognized each month is based on the number of impressions delivered multiplied by the effective per impression unit price, and is equal to the amount receivable from the customer.

Our cable television segment derives advertising revenue from the sale of television airtime to advertisers and revenue is recognized over time when the advertisements are run. In the agreements governing advertising campaigns, the Company may also promise to deliver to its customers a guaranteed minimum number of viewers ("impressions") on a specific television network within a particular demographic. These advertising campaigns are considered to represent a single, distinct performance obligation. Revenues are recognized based on the guaranteed audience level multiplied by the average price per impression. The Company provides the advertiser with advertising until the guaranteed audience level is delivered, and invoiced advertising revenue receivables may exceed the value of the audience delivery. As such, a portion of revenues are deferred until the guaranteed audience level is delivered or the rights associated with the guarantee

lapse, which is typically less than one year. Audience guarantees are initially developed internally, based on planned programming, historical audience levels, and market trends. Actual audience and delivery information is obtained from independent ratings services. For our cable television segment, agency and outside sales representative commissions were approximately \$20.1 million and \$16.9 million for the years ended December 31, 2022 and 2021, respectively.

Our cable television segment also derives revenue from affiliate fees under the terms of various multi-year affiliation agreements based on a per subscriber royalty payable by the affiliate, in exchange for the right to distribute the Company's programming. The majority of the Company's distribution fees are collected monthly throughout the year and distribution revenue is recognized over the term of the contracts based on contracted programming rates and reported subscriber levels. The Company applies the sales- or usage-based royalty exception for its affiliate agreements. The amount of distribution fees due to the Company is reported by distributors based on actual subscriber levels. Such information is generally not received until after the close of the reporting period. In these cases, the Company estimates the number of subscribers receiving the Company's programming to estimate royalty revenue. Historical adjustments to recorded estimates have not been material. Revenues from the Company's cable television segment are reduced by the amortization of the Company's launch support assets.

Some of the Company's contracts with customers contain multiple performance obligations. For these contracts, the individual performance obligations are separately accounted for if they are distinct. In an arrangement with multiple performance obligations, the transaction price is allocated among the separate performance obligations on a relative stand-alone selling price basis. The determination of stand-alone selling price considers market conditions, the size and scope of the contract, customer information, and other factors.

### Revenue by Contract Type

The following chart shows the sources of our net revenue for the years ended December 31, 2022 and 2021:

	Year Ended December 31,	
	2022	2021 (As Restated)
Radio advertising	\$ 177,268	\$ 165,244
Political advertising	13,226	3,494
Digital advertising	76,730	59,812
Cable television advertising	112,857	95,589
Cable television affiliate fees	96,963	101,203
Event revenues & other	7,560	14,943
Net revenue	<u>\$ 484,604</u>	<u>\$ 440,285</u>

### Contract Assets and Liabilities

Contract assets and contract liabilities that are not separately stated in our consolidated balance sheets at December 31, 2022 and 2021 were as follows:

	December 31, 2022	December 31, 2021 (As Restated)
	(In thousands)	
<b>Contract assets:</b>		
Unbilled receivables (\$5,798 as of January 1, 2021)	\$ 12,597	\$ 10,735
<b>Contract liabilities:</b>		
Customer advances and unearned income (\$3,044 as of January 1, 2021)	\$ 6,123	\$ 5,503
Reserve for audience deficiency (\$3,544 as of January 1, 2021)	9,629	6,020
Unearned event income (\$5,921 as of January 1, 2021)	5,708	—

Unbilled receivables consist of earned revenue that has not yet been billed and is included in trade accounts receivable on the consolidated balance sheets. Customer advances and unearned income represents advance payments by customers for future services under contract that are generally incurred in the near term and are included in other current liabilities on the consolidated balance sheets. For advertising sold based on audience guarantees, audience deficiency typically results in an obligation to deliver additional advertising units to the customer, generally within one year of the original airing. To the extent that audience guarantees are not met, a reserve for audience deficiency is recorded until such a time that the audience guarantee has been satisfied. Unearned event income represents payments by customers for upcoming events.

For customer advances and unearned income as of January 1, 2022, approximately \$2.5 million was recognized as revenue during the year ended December 31, 2022. For unearned event income as of January 1, 2022, there was no revenue recognized during the year ended December 31, 2022. For customer advances and unearned income as of January 1, 2021, approximately \$3.0 million was recognized as revenue during the year ended December 31, 2021. For unearned event income as of January 1, 2021, approximately \$5.9 million was recognized during the year ended December 31, 2021 as the event took place during the fourth quarter of 2021.

#### Practical expedients and exemptions

We generally expense employee sales commissions when incurred because the amortization period would have been one year or less. These costs are recorded within selling, general and administrative expenses.

We do not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less or (ii) contracts for which variable consideration is a sales-based or usage-based royalty promised in exchange for a license of intellectual property.

#### (g) Launch Support

The cable television segment has entered into certain affiliate agreements requiring various payments for launch support. Launch support assets are used to initiate carriage under affiliation agreements and are amortized over the term of the respective contracts. For the year ended December 31, 2022, the Company paid approximately \$9.3 million for carriage initiation, and during the year ended December 31, 2021, the Company did not pay any launch support for carriage initiation. For the year ended December 31, 2022, there was launch support additions of approximately \$9.5 million for carriage initiation that will be paid in cash in future periods. The weighted-average amortization period for launch support was approximately 8.1 years and 7.1 years as of December 31, 2022 and 2021, respectively. The remaining weighted-average amortization period for launch support was 3.8 years and 3.3 years as of December 31, 2022 and 2021, respectively. Amortization is recorded as a reduction to revenue as discussed in Note 2 – *Restatement of Financial Statements*. For the years ended December 31, 2022 and 2021, launch support asset amortization was approximately \$4.4 million and \$1.6 million, respectively. Launch assets are included in other intangible assets on the consolidated balance sheets, except for the portion of the unamortized balance that is expected to be amortized within one year which is included in other current assets.

The gross value and accumulated amortization of the launch assets is as follows:

	As of December 31,	
	2022	2021
	(In thousands)	
Launch assets	\$ 27,764	\$ 9,021
Less: accumulated amortization	(9,104)	(4,724)
Launch assets, net	\$ 18,660	\$ 4,297

Future estimated launch support amortization related to launch assets for years 2023 through 2027 and thereafter is as follows:

	(In thousands)
2023	\$ 4,980
2024	4,980
2025	4,980
2026	3,410
2027	237
Thereafter	73

**(h) Barter Transactions**

For barter transactions, the Company provides broadcast advertising time in exchange for programming content and certain services. The Company includes the value of such exchanges in both broadcasting net revenue and station operating expenses. The valuation of barter time is based upon the fair value of the network advertising time provided for the programming content and services received. For the years ended December 31, 2022 and 2021, barter transaction revenues were approximately \$2.0 million and \$1.8 million, respectively. Additionally, for the years ended December 31, 2022 and 2021, barter transaction costs were reflected in programming and technical expenses of approximately \$1.3 million and \$1.2 million, respectively, and selling, general and administrative expenses of \$679,000 and \$606,000, respectively.

**(i) Advertising and Promotions**

The Company expenses advertising and promotional costs as incurred. Total advertising and promotional expenses for the years ended December 31, 2022 and 2021, were approximately \$31.3 million and \$24.7 million, respectively.

**(j) Income Taxes**

The Company accounts for income taxes in accordance with ASC 740, "Income Taxes", ("ASC 740"). Under ASC 740, deferred tax assets or liabilities are computed based upon the difference between financial statement and income tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized into income in the period of enactment. Deferred income tax expense or benefits are based upon the changes in the net deferred tax asset or liability from period to period.

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, management considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If management determines that the Company would be able to realize its deferred tax assets in the future in excess of their net recorded amount, the Company would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes. Conversely, if management determines that the Company would not be able to realize the recorded amount of deferred tax assets in the future, the Company would make an adjustment to the deferred tax asset valuation allowance, which would increase the provision for income taxes.

The Company records uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) it determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more likely than not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The Company recognizes interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying consolidated statements of operations. Accrued interest and penalties are included in other current liabilities on the consolidated balance sheets.

**(k) Stock-Based Compensation**

The Company accounts for stock-based compensation for stock options and restricted stock grants in accordance with ASC 718, "Compensation - Stock Compensation." Under the provisions of ASC 718, stock-based compensation cost for stock options is estimated at the grant date based on the award's fair value as calculated by the Black-Scholes valuation option-pricing model ("BSM") and is recognized as expense ratably over the requisite service period. The BSM incorporates various highly subjective assumptions including expected stock price volatility, for which historical data is heavily relied upon, expected life of options granted, forfeiture rates and interest rates. Compensation expense for restricted stock grants is measured based on the fair value on the date of grant less estimated forfeitures. Compensation expense for restricted stock grants is recognized ratably during the vesting period. The fair value measurement objective for liabilities incurred in a share-based payment transaction is the same as for equity instruments. Awards classified as liabilities are subsequently remeasured to their fair values at the end of each reporting period until the liability is settled. (See Note 10 – *Employment Agreement Award* of our consolidated financial statements and Note 13 – *Stockholders' Equity*.)

**(l) Segment Reporting and Major Customers**

In accordance with ASC 280, "Segment Reporting" and given its diversification strategy, the Company has determined it has four reportable segments: (i) radio broadcasting; (ii) Reach Media; (iii) digital; and (iv) cable television. These four segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The radio broadcasting segment consists of all broadcast results of operations. The Reach Media segment consists of the results of operations for the related activities and operations of our syndicated shows. The digital segment includes the results of our online business, including the operations of Interactive One, as well as the digital components of our other reportable segments. The cable television segment consists of the Company's cable TV operation, including results of operations of TV One and CLEO TV. Business activities unrelated to these four segments are included in an "all other" category which the Company refers to as "All other - corporate/eliminations."

No single customer accounted for over 10% of our consolidated net revenues or accounts receivable as of and during either of the years ended December 31, 2022 or 2021.

**(m) Earnings Per Share**

Basic earnings per share is computed on the basis of the number of shares of common stock (Classes A, B, C and D) outstanding during the period. Diluted earnings per share is computed on the basis of the weighted average number of shares of common stock plus the effect of potential dilutive common shares outstanding during the period using the treasury stock method.

The Company's potentially dilutive securities include stock options and unvested restricted stock. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a net loss, as the inclusion of the potentially dilutive common shares would have an anti-dilutive effect.

In each of the years ended December 31, 2022 and 2021, the amount of earnings per share would pertain to each of our classes of common stock because the holders of each class are entitled to equal per share dividends or distributions in liquidation in accordance with the Company's Amended and Restated Certificate of Incorporation.

The following table sets forth the calculation of basic and diluted earnings per share from continuing operations (in thousands, except share and per share data):

	Year Ended December 31,	
	2022	2021
	(As Restated)	
	(In Thousands)	
Numerator:		
Net income attributable to common stockholders	\$ 37,329	\$ 36,791
Denominator:		
Denominator for basic net income per share - weighted average outstanding shares	48,928,063	50,163,600
Effect of dilutive securities:		
Stock options and restricted stock	3,246,274	3,973,041
Denominator for diluted net income per share - weighted-average outstanding shares	52,174,337	54,136,641
Net income attributable to common stockholders per share – basic	\$ 0.76	\$ 0.73
Net income attributable to common stockholders per share – diluted	\$ 0.72	\$ 0.68

**(n) Fair Value Measurements**

We report our financial and non-financial assets and liabilities measured at fair value on a recurring and non-recurring basis under the provisions of ASC 820, "Fair Value Measurement" ("ASC 820") which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

*Level 1:* Inputs are unadjusted quoted prices in active markets for identical assets and liabilities that can be accessed at the measurement date.

*Level 2:* Observable inputs other than those included in Level 1 (i.e., quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets).

*Level 3:* Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value instrument.

As of December 31, 2022 and 2021, respectively, the fair values of our financial assets and liabilities measured at fair value on a recurring basis are categorized as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
	(In thousands)			
<b>As of December 31, 2022</b>				
Liabilities subject to fair value measurement:				
Employment agreement award (a)	<u>\$ 26,283</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 26,283</u>
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests (b)	<u>\$ 25,298</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 25,298</u>
Assets subject to fair value measurement:				
Available-for-sale securities (c)	<u>\$ 136,826</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 136,826</u>
Cash equivalents - money market funds (d)	<u>39,798</u>	<u>39,798</u>	<u>—</u>	<u>—</u>
<b>Total</b>	<b><u>\$ 176,624</u></b>	<b><u>\$ 39,798</u></b>	<b><u>\$ —</u></b>	<b><u>\$ 136,826</u></b>
<b>As of December 31, 2021 (As Restated)</b>				
Liabilities subject to fair value measurement:				
Employment agreement award (a)	<u>\$ 28,193</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 28,193</u>
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests (b)	<u>\$ 18,655</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 18,655</u>
Assets subject to fair value measurement:				
Available-for-sale securities (c)	<u>\$ 112,600</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 112,600</u>

- (a) Each quarter, pursuant to an employment agreement (the "Employment Agreement") executed in April 2008, the Chief Executive Officer ("CEO") is eligible to receive an award (the "Employment Agreement Award") in an amount equal to approximately 4% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company reviews the factors underlying this award at the end of each quarter including the valuation of TV One (based on the estimated enterprise fair value of TV One as determined by the income approach using a discounted cash flow analysis and the market approach using comparable public company multiples). The Company's obligation to pay the award was triggered after the Company recovered the aggregate amount of capital contributions in TV One, and payment is required only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to such invested amount. The long-term portion of the award is recorded in other long-term liabilities and the current portion is recorded in other current liabilities in the consolidated balance sheets. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses if the CEO voluntarily leaves the Company or is terminated for cause. Significant inputs to the discounted cash flow analysis include revenue growth rates, future operating profit margins, discount rate and terminal growth rate. Significant inputs to the market approach include publicly held peer companies and associated multiples. In September 2022, the Compensation Committee of the Board of Directors of the Company (the "Compensation Committee") approved terms for a new employment agreement with the CEO, including a renewal of the Employment Agreement Award upon similar terms as in the prior Employment Agreement.
- (b) The redeemable noncontrolling interest in Reach Media is measured at fair value using a discounted cash flow methodology. Significant inputs to the discounted cash flow analysis include revenue growth rates, future operating profit margins, discount rate and terminal growth rate.
- (c) The investment in MGM National Harbor is preferred stock that has a non-transferable put right and is classified as an available-for-sale debt security. The investment was initially measured at fair value using a dividend discount model. Significant inputs to the dividend discount model include revenue growth rates, discount rate and a terminal growth rate. As of December 31, 2022, the investment's fair value is measured using a contractual valuation approach.



This method relies on a contractually agreed upon formula established between the Company and MGM National Harbor as defined in the Second Amended and Restated Operating Agreement of MGM National Harbor, LLC ("the Agreement") rather than market-based inputs or traditional valuation methods. As defined in the Agreement, the calculation of the put is based on operating results, Enterprise Value and the Put Price Multiple. The inputs used in this measurement technique are specific to the entity, MGM National Harbor, and there are no current observable prices for investments in private companies that are comparable to MGM National Harbor. The inputs used to measure the fair value of this security are classified as Level 3 within the fair value hierarchy. Throughout the periods from the fourth quarter of 2020 up until the third quarter of 2022, the Company relied on the dividend discount model for valuation purposes based on the facts, circumstances, and information available at the time. During the fourth quarter of 2022, the Company adopted the contractual valuation method described above as it believes it more closely approximates the fair value of the investment at that time. Please refer to Note 18 – *Subsequent Events* of our consolidated financial statements for further details.

(d) The Company measures and reports its cash equivalents that are invested in money market funds at estimated fair value.

There were no transfers in or out of Level 1, 2, or 3 during the years ended December 31, 2022 and 2021. The following table presents the changes in Level 3 assets and liabilities measured at fair value on a recurring basis for the years ended December 31, 2022 and 2021:

	Contingent Consideration	Employment Agreement Award	Redeemable Noncontrolling Interests	Available- for-Sale Securities (As Restated)
	(In thousands)			
Balance at December 31, 2020	\$ 780	\$ 25,603	\$ 13,942	\$ 103,100
Net income attributable to redeemable noncontrolling interests	—	—	2,315	—
Dividends paid to redeemable noncontrolling interests	—	—	(2,400)	—
Distribution	(1,060)	(3,573)	—	—
Change in fair value included within other comprehensive income	—	—	—	9,500
Change in fair value	280	6,163	4,798	—
Balance at December 31, 2021	\$ —	\$ 28,193	\$ 18,655	\$ 112,600
Net income attributable to redeemable noncontrolling interests	—	—	2,626	—
Dividends paid to redeemable noncontrolling interests	—	—	(1,599)	—
Distribution	—	(4,039)	—	—
Change in fair value included within other comprehensive income	—	—	—	24,226
Change in fair value	—	2,129	5,616	—
Balance at December 31, 2022	<u>\$ —</u>	<u>\$ 26,283</u>	<u>\$ 25,298</u>	<u>\$ 136,826</u>
The amount of total income (losses) for the period included in earnings attributable to the change in unrealized losses relating to assets and liabilities still held at December 31, 2022	<u>\$ —</u>	<u>\$ (2,129)</u>	<u>\$ —</u>	<u>\$ —</u>
The amount of total income (losses) for the period included in earnings attributable to the change in unrealized losses relating to assets and liabilities still held at December 31, 2021	<u>\$ (280)</u>	<u>\$ (6,163)</u>	<u>\$ —</u>	<u>\$ —</u>

Losses and gains included in earnings were recorded in the consolidated statements of operations as corporate selling, general and administrative expenses for the employment agreement award and included as selling, general and administrative expenses for contingent consideration for the years ended December 31, 2022 and 2021.

For Level 3 assets and liabilities measured at fair value on a recurring basis, the significant unobservable inputs used in the fair value measurements were as follows:

Level 3 assets and liabilities	Valuation Technique	Significant Unobservable Inputs	As of	As of
			December 31, 2022	December 31, 2021 (As Restated)
			Significant Unobservable Input Value	
Employment agreement award	Discounted cash flow	Discount rate	10.5 %	9.5 %
Employment agreement award	Discounted cash flow	Terminal growth rate	0.5 %	0.5 %
Employment agreement award	Discounted cash flow	Operating profit margin range	33.7% - 46.6 %	34.9% - 46.4 %
Employment agreement award	Discounted cash flow	Revenue growth rate range	(4.1)% - 4.2 %	(5.9)% - 11.6 %
Redeemable noncontrolling interest	Discounted cash flow	Discount rate	11.5 %	11.5 %
Redeemable noncontrolling interest	Discounted cash flow	Terminal growth rate	0.3 %	0.4 %
Redeemable noncontrolling interest	Discounted cash flow	Operating profit margin range	25.8% - 29.8 %	24.0% - 32.8 %
Redeemable noncontrolling interest	Discounted cash flow	Revenue growth rate range	0.2% - 32.2 %	(11.8)% - 0.3 %
Available-for-sale securities	Dividend discount model	Revenue growth rate	N/A	8.0 %
Available-for-sale securities	Dividend discount model	Discount rate	N/A	10.5 %
Available-for-sale securities	Dividend discount model	Long-term growth rate	N/A	3.0 %

Any significant increases or decreases in discount rate or terminal growth rate inputs could result in significantly higher or lower fair value measurements.

Certain assets and liabilities are measured at fair value on a non-recurring basis using Level 3 inputs as defined in ASC 820. These assets are not measured at fair value on an ongoing basis but are subject to fair value adjustments only in certain circumstances. Included in this category are goodwill, radio broadcasting licenses and other intangible assets, net, that are written down to fair value when they are determined to be impaired, as well as content assets that are periodically written down to net realizable value. A description of the Level 3 inputs and the information used to develop the inputs is discussed in Note 6 — *Goodwill, Radio Broadcasting Licenses and Other Intangible Assets*.

As of December 31, 2022, the total recorded carrying values of goodwill and radio broadcasting licenses were approximately \$216.6 million and \$488.4 million, respectively. Pursuant to ASC 350, “*Intangibles – Goodwill and Other*,” for the year ended December 31, 2022, the Company recorded an impairment charge of approximately \$7.2 million related to certain of our radio market goodwill balances and also an impairment charge of approximately \$33.5 million associated with certain of our radio broadcasting licenses. A description of the Level 3 inputs and the information used to develop the inputs is discussed in Note 6 — *Goodwill, Radio Broadcasting Licenses and Other Intangible Assets*.

**(o) Software and Web Development Costs**

The Company capitalizes direct internal and external costs incurred to develop internal-use computer software during the application development stage pursuant to ASC 350-40, “*Intangibles – Goodwill and Other – Internal -Use Software*.” Internal-use software is amortized under the straight-line method using an estimated life of three years. All web development costs incurred in connection with operating our websites are accounted for under the provisions of ASC 350-40 and ASC 350-50, “*Intangibles – Goodwill and Other – Website Development Costs*” unless a plan exists or is being developed to market the software externally. The Company has no plans to market software externally.

**(p) Redeemable Noncontrolling Interests**

Redeemable noncontrolling interests are interests in subsidiaries that are redeemable outside of the Company’s control either for cash or other assets. These interests are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for

cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

**(q) Investments, As Restated**

*Available-for-sale securities*

On April 10, 2015, the Company made a \$5 million investment in MGM's world-class casino property, MGM National Harbor, located in Prince George's County, Maryland, which has a predominately African-American demographic profile. On November 30, 2016, the Company contributed an additional \$35 million to complete its investment. In return for this investment, the Company received preferred stock and a non-transferable put right, which is exercisable for a thirty-day period each year. The price of the put right will be determined based on the "Put Price" definition as defined in the Agreement between the Company and MGM National Harbor. The Company classifies its investment in MGM National Harbor as an available-for-sale debt security. Investments classified as available for sale are carried at fair value with unrealized gains and losses, net of deferred taxes, reflected directly in accumulated other comprehensive income. Net realized gains and losses on sales of available for sale securities, and unrealized losses considered to be other-than-temporary, are recorded to other income, net in the Consolidated Statements of Operations. The investment entitles the Company to an annual cash distribution based on net gaming revenue and the Company recognized distribution income in the amount of approximately \$8.8 million and \$7.7 million, for the years ended December 31, 2022 and 2021, respectively, which is recorded in other income, net in the Consolidated Statements of Operations. During the quarter ended March 31, 2023, the Company received \$8.8 million representing the Company's annual distribution from MGMNH with respect to fiscal year 2022.

On March 8, 2023, Radio One Entertainment Holdings, LLC ("ROEH"), the Company's wholly-owned subsidiary issued a put notice (the "Put Notice") with respect to one hundred percent (100%) of its interest (the "Put Interest") in MGM National Harbor, LLC ("MGMNH"). On April 21 2023, ROEH closed on the sale of the Put Interest. The Company received approximately \$136.8 million at the time of settlement of the Put Interest, representing the put price. Please refer to Note 18 - *Subsequent Events* within the consolidated financial statements for further information.

**(r) Content Assets**

The Company's cable television segment has entered into contracts to license entertainment programming rights and programs from distributors and producers. The license periods granted in these contracts generally run from one year to five years. Contract payments are typically made in quarterly installments over the terms of the contract period. Each contract is recorded as an asset and a liability at an amount equal to its gross contractual commitment when the license period begins, and the program is available for its first airing. The Company also has programming for which the Company has engaged third parties to develop and produce, and it owns most or all rights (commissioned programming). For programming that is predominantly monetized as part of a content group, such as the Company's commissioned programs, capitalized costs are amortized based on an estimate of our usage and benefit from such programming. The estimates require management's judgement and include consideration of factors such as expected revenues to be derived from the programming and the expected number of future airings, among other factors. The Company's acquired programs' capitalized costs are amortized based on projected usage, generally resulting in a straight-line amortization pattern.

The Company utilizes judgment and prepares analysis to determine the amortization patterns of our content assets. Key assumptions include the categorization of content based on shared characteristics and the use of a quantitative model to predict revenue. For each film group, which the Company defines as a genre, this model takes into account projected viewership which is based on (i) estimated household universe; (ii) ratings; and (iii) expected number of airings across different broadcast time slots.

As part of the Company's assessment of its amortization rates, the Company compares the estimated amortization rates to those that have been utilized during the year. Management regularly reviews, and revises, when necessary, its total revenue estimates, which may result in a change in the rate of amortization and/or a write down of the asset to fair value. The result of the content amortization analysis is either an accelerated method or a straight-line amortization method over the estimated useful lives of generally one to five years.

Content that is predominantly monetized within a film group is assessed for impairment at the film group level and is tested for impairment if circumstances indicate that the fair value of the content within the film group is less than its unamortized costs. The Company's film groups for commission programming are generally aligned along genre, while the Company's licensed content is considered a separate film group. The Company evaluates the fair value of content at the group level by considering expected future revenue generation using a cash flow analysis when an event or change in circumstances indicates a change in the expected usefulness of the content or that the fair value may be less than unamortized costs. Estimates of future revenues consider historical airing patterns and future plans for airing content, including any changes in strategy. Given the significant estimates and judgments involved, actual demand or market conditions may be less favorable than those projected, requiring a write-down to fair value. The Company determined there were no impairment indicators evident during the year ended December 31, 2022. For the year ended December 31, 2021, the Company recorded an impairment and additional amortization expense of \$695,000, as a result of evaluating its contracts for impairment. Impairment and amortization of content assets is recorded in the consolidated statements of operations as programming and technical expenses. All commissioned and licensed content is classified as a long-term asset, except for the portion of the unamortized content balance that is expected to be amortized within one year which is classified as a current asset.

Tax incentives that state and local governments offer that are directly measured based on production activities are recorded as reductions in production costs.

**(s) Impact of Recently Issued Accounting Pronouncements**

In June 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-13, "*Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*" ("ASU 2016-13"). ASU 2016-13 is intended to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. In November 2019, the FASB issued ASU 2019-10, "*Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*" which defers the effective date of credit loss standard ASU 2016-13 by two years for smaller reporting companies and permits early adoption. ASU 2016-13 is effective for the Company beginning January 1, 2023. The Company is evaluating the impact of the adoption of ASU 2016-13 on its consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04 *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting* to provide optional relief from applying GAAP to contract modifications, hedging relationships, and other transactions affected by the anticipated transition from LIBOR. As a result of the reference rate reform initiative, certain widely used rates such as LIBOR are expected to be discontinued. The Company holds the ABL Facility, which bears interest based on the LIBOR rate. In December 2022, the FASB issued ASU 2022-06 *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848*, to defer the sunset date of the temporary relief in Topic 848 to December 31, 2024. The guidance is effective upon issuance. The Company is currently assessing the impact of the adoption of ASU 2022-06 adoption on its consolidated financial statements.

In October 2021, the FASB issued ASU 2021-08, *Business Combination (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, which requires an acquirer to recognize and measure contract assets and liabilities acquired in a business combination in accordance with *Revenue from Contracts with Customers (Topic 606)*, rather than adjust them to fair value at the acquisition date. The guidance is effective for the Company beginning January 1, 2023 and applies to acquisitions occurring after the effective date. The Company is currently assessing the impact the new guidance will have on the consolidated financial statements.

**(t) Related Party Transactions**

Reach Media operates the Tom Joyner Foundation's Fantastic Voyage<sup>®</sup> (the "Fantastic Voyage<sup>®</sup>"), a fund-raising event, on behalf of the Tom Joyner Foundation, Inc. (the "Foundation"), a 501(c)(3) entity. The agreement under which the Fantastic Voyage<sup>®</sup> operates provides that Reach Media provide all necessary operations of the cruise and that Reach Media will be reimbursed its expenditures and receive a fee plus a performance bonus. Distributions from operating revenues are in the following order until the funds are depleted: up to \$250,000 to the Foundation, reimbursement of

Reach's expenditures, up to a \$1.0 million fee to Reach, a performance bonus of up to 50% of remaining operating revenues to Reach Media, with the balance remaining to the Foundation. For 2021 and 2023, \$250,000 to the Foundation is guaranteed; the Fantastic Voyage® did not operate in 2022. Reach Media's earnings for the Fantastic Voyage® in any given year may not exceed \$1.75 million. The Foundation's remittances to Reach Media under the agreements are limited to its Fantastic Voyage® related cash collections. Reach Media bears the risk should the Fantastic Voyage® sustain a loss and bears all credit risk associated with the related passenger cruise package sales. The agreement between Reach and the Foundation automatically renews annually unless termination is mutually agreed or unless a party's financial requirements are not met, in which case the party not in breach of their obligations has the right, but not the obligation, to terminate unilaterally. As of December 31, 2022, the Foundation owed Reach Media approximately \$2.3 million reflecting passenger payments received by the Foundation, but not yet remitted to Reach Media, and as of December 31, 2021, Reach Media owed the Foundation \$41,000 under the agreements for the operation of the cruises.

The Fantastic Voyage took place during the fourth quarter of 2021. For the year ended December 31, 2021, Reach Media's revenues, expenses, and operating income for the Fantastic Voyage were approximately \$7.0 million, \$6.6 million, and \$400,000, respectively.

Reach Media provides office facilities (including office space, telecommunications facilities, and office equipment) to the Foundation. Such services are provided to the Foundation on a pass-through basis at cost. Additionally, from time to time, the Foundation reimburses Reach Media for expenditures paid on its behalf at Reach Media-related events. Under these arrangements, as of December 31, 2022 and 2021, the Foundation owed an immaterial amount to Reach Media.

Alfred C. Liggins, President and Chief Executive Officer of Urban One, Inc., is a compensated member of the Board of Directors of Broadcast Music, Inc. ("BMI"), a performance rights organization to which the Company pays license fees in the ordinary course of business. During the years ended December 31, 2022 and 2021, the Company incurred expense of approximately \$3.8 million and \$4.7 million, respectively. As of December 31, 2022 and 2021, the Company owed BMI approximately \$1.5 million and \$423,000, respectively.

**(u) Leases**

On January 1, 2019, with the adoption of ASC 842, the Company adopted a package of practical expedients as allowed by the transition guidance which permitted the Company to carry forward the historical assessment of whether contracts contain or are leases, classification of leases and the remaining lease terms. The Company has also made an accounting policy election to exclude leases with an initial term of twelve months or less from recognition on the consolidated balance sheet. Short-term leases will be expensed over the lease term. The Company also elected to separate the consideration in the lease contracts between the lease and non-lease components. All variable non-lease components are expensed as incurred.

ASC 842 results in significant changes to the balance sheets of lessees, most significantly by requiring the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Upon adoption of ASC 842, deferred rent balances, which were historically presented separately, were combined and presented net within the ROU assets.

Many of the Company's leases provide for renewal terms and escalation clauses, which are factored into calculating the lease liabilities when appropriate. The implicit rate within the Company's lease agreements is generally not determinable and as such the Company's collateralized borrowing rate is used.

The following table sets forth the components of lease expense and the weighted average remaining lease term and the weighted average discount rate for the Company's leases:

	Year Ended December 31,	
	2022	2021
(Dollars in thousands)		
Operating lease cost (cost resulting from lease payments)	\$ 12,822	\$ 13,055
Variable lease cost (cost excluded from lease payments)	40	40
<b>Total lease cost</b>	<b>\$ 12,862</b>	<b>\$ 13,095</b>
Operating lease - operating cash flows (fixed payments)	\$ 13,978	\$ 13,784
Operating lease - operating cash flows (liability reduction)	\$ 9,935	\$ 9,124
Weighted average lease term - operating leases	4.85 years	4.94 years
Weighted average discount rate - operating leases	11.00 %	11.00 %

As of December 31, 2022, maturities of lease liabilities were as follows:

For the Year Ended December 31,	(In thousands)
2023	\$ 11,697
2024	10,690
2025	6,834
2026	4,860
2027	3,417
Thereafter	7,140
<b>Total future lease payments</b>	<b>44,638</b>
Less: imputed interest	(10,403)
<b>Total</b>	<b>\$ 34,235</b>

**(v) Going Concern Assessment**

The accompanying financial statements have been prepared on a going concern basis in accordance with the applicable accounting standard codification. We have concluded that the Company has sufficient capacity over the next twelve months to meet its financing obligations, that cash flows from operations are sufficient to meet the liquidity needs and/or has sufficient capacity to access asset-backed facility funds to finance working capital needs should the need arise.

**4. ACQUISITIONS AND DISPOSITIONS:**

On June 13, 2022, the Company entered into a definitive asset purchase agreement with Emmis Communications ("Emmis") to purchase its Indianapolis Radio Cluster to expand the Company's market share. The deal was subject to FCC approval and other customary closing conditions and, after obtaining the approvals, closed on August 31, 2022. Urban One acquired radio stations WYXB (B105.7FM), WLHK (97.1FM), WIBC (93.1FM), translators W228CX and W298BB (The Fan 93.5FM and 107.5FM), and Network Indiana for \$25 million. As part of the transaction, the Company disposed of its former WHHH radio broadcasting license along with the intellectual property related to WNOW (there was a call letter change from WHHH to WNOW immediately prior to the close) to a third party for approximately \$3.2 million. The fair value of the assets disposed of approximated the carrying value of the assets. The Company recognized a net loss of \$120,000 related to the disposal transaction during the year ended December 31, 2022.

The Company's purchase accounting to reflect the fair value of assets acquired and liabilities assumed consisted of approximately \$23.6 million to radio broadcasting licenses, \$162,000 to towers and antennas, \$326,000 to transmitters, \$209,000 to studios, \$111,000 to vehicles, \$27,000 to furniture, fixtures, computer equipment and computer software, \$87,000 to acquired advertising contracts, \$437,000 to goodwill, and approximately \$1.2 million to right of use assets and

operating lease liabilities. The purchase price allocation was finalized during fiscal year 2022, and no significant changes were recorded from the original estimation.

The operations of Emmis were included in the consolidated financial statements as of the acquisition date. The revenue and operating income for Emmis reported within the consolidated financial statements for the year ended December 31, 2022 were approximately \$5.6 million and \$1.2 million, respectively.

#### *Unaudited Pro Forma Information*

The table below sets forth unaudited pro forma results of operations, assuming that the Emmis acquisition occurred on January 1, 2021:

	For The Year Ended December 31,	
	2022	2021
	(In thousands)	
Net revenue	\$ 496,613	\$ 457,935
Operating income	95,365	117,516
Net income	40,439	39,921

This pro forma financial information is based on historical results of operations, adjusted for the allocation of the purchase price and other accounting adjustments, and is not indicative of what our results would have been had we operated Emmis for the period presented because the pro forma results do not reflect expected synergies. The pro forma adjustments primarily reflect depreciation expense and amortization of tangible and intangible assets related to the fair value adjustments of the assets acquired. The pro forma adjustments are based on available information and assumptions that the Company believes are reasonable to reflect the impact of this acquisition on the Company's historical financial information on a supplemental pro forma basis.

On April 20, 2021, the Company completed a definitive asset exchange agreement with Audacy, Inc. (formerly Entercom Communications Corp.) to expand the Company's market share whereby the Company would receive Charlotte stations: WLNK-FM (Adult Contemporary); WBT-AM & FM (News Talk Radio); and WFNZ-AM & 102.5 FM Translator (Sports Radio). As part of the transaction, the Company transferred three radio stations to Audacy: St. Louis, WHHL-FM (Urban Contemporary); Philadelphia, WPHI-FM (Urban Contemporary); and Washington, DC, WTEM-AM (Sports); as well as the intellectual property to its St. Louis radio station, WFUN-FM (Adult Urban Contemporary). The Company and Audacy entered into the arrangement on November 6, 2020, and began operation of the exchanged stations on or about November 23, 2020 under LMAs until FCC approval was obtained and the transaction closed on April 20, 2021. In addition, the Company entered into an asset purchase agreement with Gateway Creative Broadcasting, Inc. ("Gateway") for the remaining assets of our WFUN station in a separate transaction which also closed on April 20, 2021. The Company received approximately \$8.0 million in exchange for approximately \$8.0 million in tangible and intangible assets as part of the transaction with Gateway.

The Company's purchase accounting to reflect the fair value of assets acquired and liabilities assumed consisted of approximately \$21.1 million to radio broadcasting licenses, approximately \$1.8 million to land and land improvements, approximately \$2.0 million to towers and antennas, \$517,000 to buildings, approximately \$1.0 million to transmitters, \$712,000 to studios, \$53,000 to vehicles, \$200,000 to furniture and fixtures, \$67,000 to computer equipment, \$19,000 to other equipment, approximately \$1.7 million to right of use assets, \$1.9 million advertising credit liability, \$921,000 to operating lease liabilities, and \$812,000 unfavorable lease liability. The fair value of the assets exchanged with Audacy approximate the carrying value of the assets. The Company recognized a net gain of \$404,000 related to the Audacy and Gateway transactions during the year ended December 31, 2021. The purchase price allocation was finalized during fiscal year 2021, and no significant changes were recorded from the original estimation.

On October 30, 2020, we entered into a local marketing agreement ("LMA") with Southeastern Ohio Broadcasting System for the operation of station WWCD-FM in Columbus, Ohio beginning November 2020. Under the terms of the

LMA, we will pay a monthly fee as well as certain operating costs, and, in exchange, we will retain all revenues from the sale of the advertising within the programming.

**5. PROPERTY AND EQUIPMENT:**

Property and equipment are carried at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the related estimated useful lives. Property and equipment consists of the following:

	As of December 31,		Estimated Useful Lives
	2022	2021	
	(In thousands)		
Land and improvements	\$ 4,128	\$ 4,128	—
Buildings	3,299	3,241	31 years
Transmitters and towers	45,733	43,466	7-15 years
Equipment	67,025	63,192	3-7 years
Furniture and fixtures	9,357	9,397	6 years
Software and web development	32,565	31,337	3 years
Leasehold improvements	25,231	24,727	Lesser of useful life or lease term
Construction-in-progress	153	476	—
	187,491	179,964	
Less: accumulated depreciation	(159,733)	(153,673)	
Property and equipment, net	<u>\$ 27,758</u>	<u>\$ 26,291</u>	

Depreciation expense for the years ended December 31, 2022, and 2021 was approximately \$6.4 million and \$5.6 million, respectively. Repairs and maintenance costs are expensed as incurred.

**6. GOODWILL, RADIO BROADCASTING LICENSES AND OTHER INTANGIBLE ASSETS:**

*Impairment Testing*

In accordance with ASC 350, we do not amortize our radio broadcasting licenses and goodwill. Instead, we perform a test for impairment annually across all reporting units and radio broadcasting licenses, or on an interim basis when events or changes in circumstances or other conditions suggest impairment may have occurred in any given reporting unit. We had 16 reporting units as of our October 2022 annual impairment assessment, consisting of each of the 13 radio markets within the radio segment and each of the other three business segments. Other intangible assets continue to be amortized on a straight-line basis over their useful lives. We evaluate amortizable intangible assets for recoverability when circumstances indicate impairment may have occurred, using an undiscounted cash flow methodology. If the future undiscounted cash flows for the intangible asset are less than net book value, then the net book value is reduced to the estimated fair value.

We perform our annual impairment test as of October 1 of each year. The Company noted interim triggering events during the current year which resulted in the recording of impairment losses. The Company has not identified any triggering events occurring after the annual testing date that would impact the impairment testing results obtained but will continue to monitor the fair value of the Company.

As discussed in Note 2 – *Restatement of Financial Statements*, the Company is restating its previously issued financial statements to correct the certain misstatements, one of which is related to the impairment of radio broadcasting licenses. For the years ended December 31, 2022 and 2021, we recorded impairment charges against radio broadcasting licenses and goodwill collectively, of approximately \$40.7 million and \$2.1 million, respectively, which are included within Impairment of long-lived assets in the consolidated statements of operations.



### Broadcasting Licenses

The Company's total broadcasting licenses carrying value is approximately \$488.4 million as of December 31, 2022.

As restated, the table below presents the changes in the Company's radio broadcasting licenses during 2022 and 2021:

	<b>Total</b>	
	<b>(In thousands)</b>	
Balance at January 1, 2021 (As Restated)	\$	482,442
Acquisitions		21,082
Impairment charges		(2,104)
Balance at December 31, 2021 (As Restated)	\$	501,420
Acquisitions		23,642
Disposals		(3,200)
Impairment charges		(33,443)
Balance at December 31, 2022	\$	488,419

Our licenses expire at various dates through August 1, 2030. The FCC grants radio broadcast station licenses for specific periods of time and, upon application, may renew them for additional terms. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application is pending. Under the Communications Act, radio broadcast station licenses may be granted for a maximum term of eight years. The FCC may grant the license renewal application with or without conditions, including renewal for a term less than the maximum otherwise permitted. Historically, our licenses have been renewed for full eight-year terms without any conditions or sanctions; however, there can be no assurance that the licenses of each of our stations will be renewed for a full term without conditions or sanctions.

During the second quarter of 2022, there continued to be slowing in certain general economic conditions and a rising interest rate environment, which we deemed to be an impairment indicator that warranted interim impairment testing of certain markets' radio broadcasting licenses, as it was determined more likely than not that the fair value was below its carrying value. The Company utilized the income approach to estimate the fair value of the broadcasting licenses. As a result of its impairment test, the Company recorded impairment of approximately \$8.7 million during the three months ended June 30, 2022, associated with certain of our radio market broadcasting licenses. In addition, the Company recorded an impairment charge of approximately \$1.9 million in the three months ended June 30, 2022, associated with the estimated asset sale consideration for one of our Indianapolis radio broadcasting licenses.

During the third quarter of 2022, economic conditions continued to slow and interest rates continued to rise. The Company performed additional impairment tests, and recorded an impairment of approximately \$15.5 million associated with certain of our radio market broadcasting licenses.

We completed our 2022 annual impairment assessment as of October 1, 2022. There was lower than forecasted revenue growth and operating profit margin in certain markets. As a result, the Company recorded an impairment charge of approximately \$7.4 million during the three months ended December 31, 2022, associated with certain of our radio market broadcasting licenses.

When evaluating our radio broadcasting licenses for impairment, the testing is done at the unit of accounting level as determined by ASC 350. In our case, each unit of accounting is a cluster of radio stations into one of our geographical markets. Broadcasting license fair values are based on the discounted future cash flows of the applicable unit of accounting assuming an initial hypothetical start-up operation which possesses FCC licenses as the only asset. Over time, it is assumed the operation acquires other tangible assets such as advertising and programming contracts, employment agreements and going concern value, and matures into an average performing operation in a specific radio market.

Our methodology for valuing broadcasting licenses has been consistent for all periods presented. Below are some of the key assumptions used in the income approach for estimating the broadcasting license fair values for the annual impairment testing performed and interim impairment testing where an impairment charge was recorded since January 1, 2021.

Radio Broadcasting Licenses	October 1, 2022	September 30, 2022 (a) (As Restated)	June 30, 2022 (a) (As Restated)	October 1, 2021 (As Restated)
Impairment charge (in millions)	\$ 7.4	\$ 15.5	\$ 10.6 (*)	\$ 2.1
Discount rate	9.5 %	9.5 %	9.5 %	9.0 %
Revenue growth rate range	0.0% – 1.7 %	0.3% – 1.6 %	0.7% – 2.4 %	0.7% – 8.0 %
Terminal growth rate range	0.3% – 0.8 %	0.3% – 0.8 %	0.7% – 1.0 %	0.7% – 1.0 %
Mature market share range	6.8% – 27.6 %	6.8% – 27.6 %	6.9% – 25.6 %	6.2% – 23.2 %
Mature operating profit margin range	27.2% – 34.6 %	28.3% – 36.1 %	28.3% – 36.1 %	26.9% – 36.1 %

(a) Reflects changes only to the key assumptions used in the interim testing for certain units of accounting.

(\*) Includes an impairment charge whereby the license fair value is based on estimated asset sale consideration.

If actual market conditions are less favorable than those estimated by us or if events occur or circumstances change that would reduce the fair value of our broadcast licenses below the carrying value, we may be required to recognize additional impairment charges in future periods. Such a charge could have a material effect on our consolidated financial statements. We will continue to monitor potential triggering events and perform the appropriate analysis when deemed necessary.

#### Goodwill

The table below presents the changes in the Company's goodwill carrying values for its four reportable segments during 2022 and 2021:

	Radio Broadcasting Segment	Reach Media Segment	Digital Segment (In thousands)	Cable Television Segment	Total
Gross goodwill at January 1, 2021	\$ 155,000	\$ 30,468	\$ 27,567	\$ 165,044	\$ 378,079
Additions	—	—	—	—	—
Impairments	—	—	—	—	—
Accumulated impairment losses	(117,748)	(16,114)	(20,345)	—	(154,207)
Audacy asset exchange	(470)	—	—	—	(470)
Net goodwill at December 31, 2021	\$ 36,782	\$ 14,354	\$ 7,222	\$ 165,044	\$ 223,402
Gross goodwill	\$ 155,000	\$ 30,468	\$ 27,567	\$ 165,044	\$ 378,079
Additions	437	—	—	—	437
Impairments	(7,240)	—	—	—	(7,240)
Accumulated impairment losses	(117,748)	(16,114)	(20,345)	—	(154,207)
Audacy asset exchange	(470)	—	—	—	(470)
Net goodwill at December 31, 2022	\$ 29,979	\$ 14,354	\$ 7,222	\$ 165,044	\$ 216,599

As noted above, during the quarters ended June 30, 2022 and September 30, 2022, we identified impairment indicators at certain of our radio markets. As it was determined that it was more likely than not that the fair value of certain radio markets reporting units were below its carrying value, the Company performed interim quantitative impairment tests as of the June 30, 2022 and September 30, 2022 balance sheet dates. During the three months ended June 30, 2022, the Company recorded an impairment of approximately \$4.3 million to reduce the carrying value of our Atlanta market goodwill balance. No impairment was identified for the three months ended September 30, 2022 based on the quantitative test performed.

As part of the Company's annual impairment assessment, the Company recorded an impairment of approximately \$2.9 million to reduce the carrying value of goodwill in the Philadelphia market for the quarter ending December 31, 2022 as a result of lower than forecasted revenue growth. There was no impairment for the year ended December 31, 2021.

Below are some of the key assumptions used in the income approach model for estimating the Radio Market goodwill reporting units fair values for the quantitative annual impairment assessments performed and interim quantitative impairment testing where an impairment charge was recorded since January 1, 2021. We used a step zero qualitative analysis for all other reporting units.

Goodwill (Radio Market Reporting Units)	October 1, 2022 (a)	September 30, 2022 (a)	June 30, 2022 (a)	October 1, 2021 (a)
Impairment charge (in millions)	\$ 2.9	\$ —	\$ 4.3	\$ —
Discount rate	9.5 %	9.5 %	9.5 %	9.0 %
Revenue growth rate range	(10.3)% – 72.0 %	(0.3)% – 1.7 %	(2.5)% – 2.5 %	(10.7)% – 27.1 %
Terminal growth rate range	0.5% – 0.8 %	1.0 %	0.7% – 1.0 %	0.7% – 1.0 %
Operating profit margin range	16.6% – 46.0 %	33.4 %	19.5% – 32.9 %	21.2% – 47.3 %

(a) Reflects the key assumptions for testing only those radio markets with remaining goodwill.

*Intangible Assets Excluding Goodwill and Radio Broadcasting Licenses*

Other intangible assets, excluding goodwill, radio broadcasting licenses and the unamortized brand name, are being amortized on a straight-line basis over various periods. Other intangible assets consist of the following:

	As of December 31,						Period of Amortization	Remaining Weighted- Average Period of Amortization
	2022			2021				
	Gross Carrying Amount	Accumulated Amortization	Net Amount	Gross Carrying Amount	Accumulated Amortization	Net Amount		
	(In thousands)							
	(As Restated)							
Trade names	\$ 17,431	\$ (17,418)	\$ 13	\$ 17,425	\$ (17,405)	\$ 20	1-5 Years	1.6 Years
Intellectual property	6,878	(6,878)	—	6,878	(6,878)	—	4-10 Years	0.0 Years
Advertiser agreements	46,669	(45,728)	941	46,582	(42,276)	4,306	1-12 Years	0.2 Years
Brand names	4,413	(3,732)	681	4,413	(3,558)	855	10 Years	4.8 Years
Brand names - unamortized	39,690	—	39,690	39,690	—	39,690	Indefinite	—
Launch assets, net of current portion	22,791	(9,104)	13,687	7,597	(4,724)	2,873	Contract length	3.8 Years
Other intangibles	849	(668)	181	842	(665)	177	1-15 Years	3.3 Years
Total other intangible assets	\$ 138,721	\$ (83,528)	\$ 55,193	\$ 123,427	\$ (75,506)	\$ 47,921		3.1 Years

Amortization expense of intangible assets for each of the years ended December 31, 2022 and 2021 was approximately \$3.7 million.

The following table presents the Company's estimate of amortization expense for the years 2023 through 2027 for intangible assets as of December 31, 2022:

	(In thousands)	
2023	\$	1,232
2024		172
2025		141
2026		140
2027		74

The table above excludes launch asset amortization as it is recorded as a reduction to revenue. Actual amortization expense may vary as a result of future acquisitions and dispositions.

#### 7. CONTENT ASSETS:

The gross cost and accumulated amortization of content assets is as follows:

	As of December 31,		Period of Amortization
	2022	2021	
	(In thousands)		
Produced content assets:			
Completed	\$ 122,660	\$ 117,058	
In-production	23,300	12,961	
Licensed content assets acquired:			
Acquired	55,751	61,374	
Content assets, at cost	201,711	191,393	1-5 Years
Less: accumulated amortization	(81,330)	(105,355)	
Content assets, net	120,381	86,038	
Less: current portion	(34,003)	(25,883)	
Noncurrent portion	<u>\$ 86,378</u>	<u>\$ 60,155</u>	

The aggregate amortization expense for content assets for the years ended December 31, 2022 and 2021 is approximately \$43.5 million and \$47.1 million, respectively. The estimated future amortization expense for completed and released content assets is approximately \$17.3 million, \$14.6 million, and \$13.1 million for the years ending December 31, 2023, 2024 and 2025, respectively. Amortization of content assets is recorded in the consolidated statements of operations as programming and technical expenses.

Future estimated content amortization expense related to agreements entered into as of December 31, 2022, for years 2023 through 2025 is as follows:

	(In thousands)	
2023	\$	34,003
2024		23,201
2025		15,964

Future estimated content amortization expense is not included for in-production content assets in the table above.

Future minimum content payments required under agreements entered into as of December 31, 2022, are as follows:

	(In thousands)	
2023	\$	26,718
2024		9,371
2025		994

**8. INVESTMENTS:**

The amortized cost, estimated fair value, and unrealized gains and losses on the debt security classified as available-for-sale as of December 31, 2022 and 2021 is summarized as follows:

	Amortized Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(In thousands)			
<b>December 31, 2022</b>				
MGM Investment	\$ 40,000	\$ 104,326	\$ (7,500)	\$ 136,826
Total available-for-sale securities	<u>\$ 40,000</u>	<u>\$ 104,326</u>	<u>\$ (7,500)</u>	<u>\$ 136,826</u>
<b>December 31, 2021 (As Restated)</b>				
MGM Investment	\$ 40,000	\$ 73,800	\$ (1,200)	\$ 112,600
Total available-for-sale securities	<u>\$ 40,000</u>	<u>\$ 73,800</u>	<u>\$ (1,200)</u>	<u>\$ 112,600</u>

The available-for-sale debt security has no stated maturity date.

**9. OTHER CURRENT LIABILITIES:**

Other current liabilities consist of the following:

	As of December 31,	
	2022	2021
	(As Restated)	
	(In thousands)	
Deferred revenue	\$ 11,831	\$ 5,503
Reserve for audience deficiency	9,629	6,020
Other	6,870	6,537
Employment Agreement Award	2,675	3,966
Launch liability	2,500	—
Deferred barter revenue	1,635	1,271
Accrued national representative fees	947	457
Tenant allowance	117	180
Accrued miscellaneous taxes	79	213
Income taxes payable	37	283
	<u>\$ 36,320</u>	<u>\$ 24,430</u>

**10. EMPLOYMENT AGREEMENT AWARD:**

The Company accounts for an award called for in the CEO's employment agreement (the "Employment Agreement Award") at fair value. The Company estimated the fair value of the award at December 31, 2022 and 2021, to be approximately \$26.3 million and \$28.2 million, respectively, and accordingly adjusted its liability to this amount. The long-term portion is recorded in other long-term liabilities and the current portion is recorded in other current liabilities in the consolidated balance sheets. The expense associated with the Employment Agreement Award was recorded in the consolidated statements of operations as corporate selling, general and administrative expenses and was approximately \$2.1 million and \$6.2 million for the years ended December 31, 2022 and 2021, respectively.

The Company's obligation to pay the Employment Agreement Award was triggered after the Company recovered the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's aggregate investment in TV One. The CEO was fully vested in the award upon execution of the employment agreement, and the award lapses if the CEO voluntarily leaves the Company, or is terminated for cause. In September 2022, the Compensation Committee of the Board of

Directors of the Company approved terms for a new employment agreement with the CEO, including a renewal of the Employment Agreement Award upon similar terms as in the prior employment agreement.

**11. LONG-TERM DEBT:**

Long-term debt consists of the following:

	As of December 31,	
	2022	2021
	(in thousands)	
7.375% Senior Secured Notes due February 2028	\$ 750,000	\$ 825,000
PPP Loan	—	7,505
<b>Total debt</b>	<b>750,000</b>	<b>832,505</b>
Less: current portion of long-term debt	—	—
Less: original issue discount and issuance costs	11,000	13,889
<b>Long-term debt, net</b>	<b>\$ 739,000</b>	<b>\$ 818,616</b>

**2028 Notes**

On January 7, 2021, the Company launched an offering (the “2028 Notes Offering”) of \$825 million in aggregate principal amount of 7.375% senior secured notes due 2028 (the “2028 Notes”) in a private offering exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”). On January 8, 2021, the Company entered into a purchase agreement with respect to the 2028 Notes at an issue price of 100% and the 2028 Notes Offering closed on January 25, 2021. The 2028 Notes are general senior secured obligations of the Company and are guaranteed on a senior secured basis by certain of the Company’s direct and indirect restricted subsidiaries. The 2028 Notes mature on February 1, 2028 and interest on the Notes accrues and is payable semi-annually in arrears on February 1 and August 1 of each year, commencing on August 1, 2021 at the rate of 7.375% per annum.

The Company used the net proceeds from the 2028 Notes Offering, together with cash on hand, to repay or redeem: (i) the 2017 Credit Facility; (ii) the 2018 Credit Facility; (iii) the MGM National Harbor Loan; (iv) the remaining amounts of our 7.375% Notes; and (v) our 8.75% Notes that were issued in the November 2020 Exchange Offer (all as defined below). Upon settlement of the 2028 Notes Offering, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged. There was a net loss on retirement of debt of approximately \$6.9 million for the year ended December 31, 2021 associated with the issuance of the 2028 Notes.

The 2028 Notes and the guarantees are secured, subject to permitted liens and except for certain excluded assets (i) on a first priority basis by substantially all of the Company’s and the Guarantors’ current and future property and assets (other than accounts receivable, cash, deposit accounts, other bank accounts, securities accounts, inventory and related assets that secure our asset-backed revolving credit facility on a first priority basis (the “ABL Priority Collateral”), including the capital stock of each guarantor (collectively, the “Notes Priority Collateral”) and (ii) on a second priority basis by the ABL Priority Collateral.

The associated debt issuance costs in the amount of approximately \$15.4 million is reflected as an adjustment to the carrying amount of the debt obligations and amortized to interest expense over the term of the credit facility using the effective interest rate method. The amortization of deferred financing costs is charged to interest expense for all periods presented.

The amount of deferred financing costs included in interest expense for all instruments, for the years ended December 31, 2022 and 2021, was approximately \$2.0 million and \$2.3 million, respectively. The Company’s effective interest rate was 7.84% for 2022 and was 7.96% for 2021.

During the year ended December 31, 2022, the Company repurchased approximately \$75.0 million of its 2028 Notes at an average price of approximately 89.5% of par. The Company recorded a net gain on retirement of debt of

approximately \$6.7 million for the year ended December 31, 2022. On December 6, 2022, the Board of Directors authorized and approved a note repurchase program for up to \$25 million of the currently outstanding 2028 Notes. The Company made additional repurchases of its 2028 Notes during the quarter ended March 31, 2023. See Note 18 – *Subsequent Events* of our consolidated financial statements for further details.

The Company conducts a portion of its business through its subsidiaries. Certain of the Company's subsidiaries have fully and unconditionally guaranteed the Company's 2028 Notes.

#### **PPP Loan**

On January 29, 2021, the Company submitted an application for participation in the second round of the Paycheck Protection Program loan program ("PPP") and on June 1, 2021, the Company received proceeds of approximately \$7.5 million. During the quarter ended June 30, 2022, the PPP loan and related accrued interest was forgiven and recorded as other income in the amount of approximately \$7.6 million. Prior to being forgiven, the loan bore interest at a fixed rate of 1% per year was scheduled to mature June 1, 2026.

#### **8.75% Notes**

In October 2020, the Company announced an offer to eligible holders of its 7.375% Senior Secured Notes due 2022 (the "7.375% Notes") to exchange any and all of their 7.375% Notes for newly issued 8.75% Senior Secured Notes due 2022 (the "8.75% Notes"). The exchange offer closed on November 9, 2020 and, therefore, is referred to as the "November 2020 Exchange Offer". Until their satisfaction and discharge on settlement of the 2028 Notes, the 8.75% Notes were governed by an indenture, dated November 9, 2020 (the "8.75% Notes Indenture"), by and between the Company, the guarantors therein (the "Guarantors") and Wilmington Trust, National Association, as trustee (in such capacity, the "8.75% Notes Trustee") and as notes collateral agent (in such capacity, "the 8.75% Notes Collateral Agent"). Interest on the 8.75% Notes accrued at the rate per annum equal to 8.75% and was payable, in cash, quarterly on January 15, April 15, July 15 and October 15 of each year, commencing on January 15, 2021, to holders of record on the immediately preceding January 1, April 1, July 1 and October 1, respectively.

The 8.75% Notes were general senior obligations and were guaranteed (the "Guarantees") by the Guarantors. The 8.75% Notes and the Guarantees: (i) ranked equal in right of payment to all of the Company's and the Guarantor's existing and future senior indebtedness, (ii) were secured on a first-priority basis by the Notes Priority Collateral (as defined below) and on a second-priority basis by the ABL Priority Collateral (defined below) owned by the Company and the applicable Guarantor, in each case subject to certain liens permitted under the 8.75% Notes Indenture, (iii) were equal in priority to the collateral owned by the Company and the Guarantor with respect to obligations under the credit agreement, dated as of April 18, 2017, by and among the Company, various lenders therein and Guggenheim Securities Credit Partners, LLC, as administrative agent and any other Parity Lien Debt (as described in the 8.75% Notes Indenture), if any, incurred after the date the 8.75% Notes were issued, (iv) ranked senior in right of payment to any existing or future subordinated indebtedness of the Company or Guarantors, (v) were initially guaranteed on a senior basis by each of the Company's wholly-owned domestic subsidiaries (other than certain immaterial subsidiaries, unrestricted subsidiaries, and other certain exceptions), (vi) were effectively senior to all of the Company's and the Guarantor's existing and future unsecured indebtedness to the extent of the value of the collateral owned by the Company or applicable Guarantors and effectively senior to all existing and future ABL Debt Obligations (as defined in the 8.75% Notes Indenture) to the extent of the value of the Notes Priority Collateral (as defined below) owned by the Company or applicable Guarantor, (vii) were effectively subordinated to all of the Company's and the Guarantor's existing and future indebtedness that was secured by liens on assets that do not secure the Notes or the Guarantee to the extent of the value of such assets, (viii) were structurally subordinated to all of the Company's and the Guarantor's existing and future indebtedness and other claims and liabilities, including preferred stock, of subsidiaries of the Company that are not guarantors, and (ix) were effectively senior to any 7.375% Notes that remain outstanding after the November 2020 Exchange Offer with respect to any collateral proceeds.

The 8.75% Notes and the guarantees were secured, subject to permitted liens and except for certain excluded assets (i) on a first priority basis by substantially all of the Company's and the Guarantors' current and future property and assets (other than accounts receivable, cash, deposit accounts, other bank accounts, securities accounts, inventory and related assets that secure our asset-backed revolving credit facility on a first priority basis (the "ABL Priority Collateral"),

including the capital stock of each Guarantor (which, in the case of foreign subsidiaries, is limited to 65% of the voting stock and 100% of the non-voting stock of each first-tier foreign subsidiary) (collectively, the "Notes Priority Collateral") and (ii) on a second priority basis by the ABL Priority Collateral.

In connection with the November 2020 Exchange Offer, the 8.75% Notes were subject to a new intercreditor agreement, pursuant to which proceeds received by the 7.375% Notes Trustee with respect to collateral proceeds received by the 7.375% Notes Trustee for the 7.375% Notes under an existing parity lien intercreditor agreement were to be paid over to the 8.75% Notes Trustee for the 8.75% Notes to the extent of the amounts owed to the holders of the 8.75% Notes then outstanding.

The Company could redeem the 8.75% Notes in whole or in part, at its option, upon not less than 30 nor more than 60 days' prior notice at a redemption price equal to 100% of the principal amount of such 8.75% Notes plus accrued and unpaid interest, if any, to the redemption date.

Within 90 days following the completion of the November 2020 Exchange Offer, the Company was required to repurchase, repay or redeem \$15 million aggregate principal amount of the 8.75% Notes. Separately, within five business days after each Excess Cash Flow Calculation Date (as defined in the 8.75% Notes Indenture), the Company was to redeem an aggregate principal amount of 8.75% Notes equal to 50% of the Excess Cash Flow (as defined in the 8.75% Notes Indenture), provided that repurchases, repayments or redemption of 8.75% Notes with internally generated funds during the applicable calculation period would reduce on a dollar-for-dollar basis the amount of such redemption otherwise required on the applicable calculation date. Any such mandatory redemptions were to be at par (plus accrued and unpaid interest).

The premium paid to the bondholders in the amount of approximately \$3.5 million was reflected as an adjustment to the carrying amount of the debt obligation and amortized to interest expense over the term of the obligation using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

#### **2018 Credit Facility**

On December 4, 2018, the Company and certain of its subsidiaries entered into a credit agreement ("2018 Credit Facility"), among the Company, the lenders party thereto from time to time, Wilmington Trust, National Association, as administrative agent, and TCG Senior Funding L.L.C, as sole lead arranger and sole bookrunner. The 2018 Credit Facility provided \$192.0 million in term loan borrowings, which was funded on December 20, 2018. The net proceeds of term loan borrowings under the 2018 Credit Facility were used to refinance, repurchase, redeem or otherwise repay the Company's then outstanding 9.25% Senior Subordinated Notes due 2020.

Until its termination on settlement of the 2028 Notes, borrowings under the 2018 Credit Facility were subject to customary conditions precedent, as well as a requirement under the 2018 Credit Facility that (i) the Company's total gross leverage ratio on a pro forma basis be not greater than 8:00 to 1:00 (this total gross leverage ratio test steps down as described below), (ii) neither of the administrative agents under the Company's existing credit facilities nor the trustee under the Company's existing senior secured notes due 2022 have objected to the terms of the new credit documents and (iii) certification by the Company that the terms and conditions of the 2018 Credit Facility satisfied the requirements of the definition of "Permitted Refinancing" (as defined in the agreements governing the Company's existing credit facilities) and neither of the administrative agents under the Company's existing credit facilities notified the Company within five (5) business days prior to funding the borrowings under the 2018 Credit Facility that it disagreed with such determination (including a reasonable description of the basis upon which it disagrees).

The 2018 Credit Facility was scheduled to mature on December 31, 2022 (the "Maturity Date"). In connection with the November 2020 Exchange Offer, we also entered into an amendment to certain terms of our 2018 Credit Facility including the extension of the maturity date to March 31, 2023. Interest rates on borrowings under the 2018 Credit Facility were either (i) from the Funding Date to the Maturity Date, 12.875% per annum, (ii) 11.875% per annum, once 50% of the term loan borrowings had been repaid or (iii) 10.875% per annum, once 75% of the term loan borrowings had been repaid. Interest payments began on the last day of the 3-month period commencing on the Funding Date. Within 90 days



following the completion of the November 2020 Exchange Offer, the Company was required to repay \$10 million of the 2018 Credit Facility. The amendment was accounted for as a modification in accordance with the provisions of ASC 470, "*Debt*".

The Company's obligations under the 2018 Credit Facility were not secured. The 2018 Credit Facility was guaranteed on an unsecured basis by each entity that guarantees the Company's outstanding \$350.0 million 2017 Credit Facility (as defined below).

The term loans could be voluntarily prepaid prior to February 15, 2020 subject to payment of a prepayment premium. The Company was required to repay principal to the extent then outstanding on each quarterly interest payment date, commencing on the last business day in March 2019, equal to one quarter of 7.5% of the aggregate initial principal amount of all term loans incurred on the Funding Date to December 2019, commencing on the last business day in March 2020, one quarter of 10.0% of the aggregate initial principal amount of all term loans incurred on the Funding Date to December 2021, and, commencing on the last business day in March 2021, one quarter of 12.5% of the aggregate initial principal amount of all term loans incurred on the Funding Date to December 2022. The Company was also required to use 75% of excess cash flow ("ECF payment") as defined in the 2018 Credit Facility, which excluded any distributions to the Company or its restricted subsidiaries in respect of its interests in the MGM National Harbor, to repay outstanding term loans at par, paid semiannually and to use 100% of all distributions to the Company or its restricted subsidiaries received in respect of its interest in the MGM National Harbor to repay outstanding term loans at par.

The 2018 Credit Facility contained customary representations and warranties and events of default, affirmative and negative covenants (in each case, subject to materiality exceptions and qualifications). The 2018 Credit Facility, as amended, also contained certain financial covenants, including a maintenance covenant requiring the Company's total gross leverage ratio to be not greater than 8.0 to 1.00 in 2019, 7.5 to 1.00 in 2020, 7.25 to 1.00 in 2021, 6.75 to 1.00 in 2022 and 6.25 to 1.00 in 2023.

The original issue discount in the amount of approximately \$3.8 million and associated debt issuance costs in the amount of \$875,000 were reflected as an adjustment to the carrying amount of the debt obligation and amortized to interest expense over the term of the credit facility using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

#### ***MGM National Harbor Loan***

Concurrently, on December 4, 2018, Urban One Entertainment SPV, LLC ("UONESPV") and its immediate parent, Radio One Entertainment Holdings, LLC ("ROEH"), each of which is a wholly owned subsidiary of the Company, entered into a credit agreement, providing \$50.0 million in term loan borrowings (the "MGM National Harbor Loan") which was funded on December 20, 2018. On June 25, 2020, the Company borrowed an incremental \$3.6 million on the MGM National Harbor Loan and used the proceeds to pay down the higher coupon 2018 Credit Facility by the same amount.

Until its termination on settlement of the 2028 Notes, the MGM National Harbor Loan was scheduled to mature on December 31, 2022 and bore interest at 7.0% per annum in cash plus 4.0% per annum paid-in kind. The loan had limited ability to be prepaid in the first two years. The loan was secured on a first priority basis by the assets of UONESPV and ROEH, including all of UONESPV's shares held by ROEH, all of UONESPV's interests in MGM National Harbor, its rights under the joint venture operating agreement governing the MGM National Harbor and UONESPV's obligation to exercise its put right under the joint venture operating agreement in the event of a UONESPV payment default or bankruptcy event, in each case, subject to applicable Maryland gaming laws and approvals. Exercise by UONESPV of its put right under the joint venture operating agreement was subject to required lender consent unless the proceeds are used to retire the MGM National Harbor Loan and any remaining excess is used to repay borrowings, if any, under the 2018 Credit Facility. The MGM National Harbor Loan also contained customary representations and warranties and events of default, affirmative and negative covenants (in each case, subject to materiality exceptions and qualifications).

The original issue discount in the amount of approximately \$1.0 million and associated debt issuance costs in the amount of approximately \$1.7 million was being reflected as an adjustment to the carrying amount of the debt

obligation and amortized to interest expense over the term of the obligation using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

### **2017 Credit Facilities**

On April 18, 2017, the Company closed on a senior secured credit facility (the "2017 Credit Facility"). The 2017 Credit Facility was governed by a credit agreement by and among the Company, the lenders party thereto from time to time and Guggenheim Securities Credit Partners, LLC, as administrative agent, The Bank of New York Mellon, as collateral agent, and Guggenheim Securities, LLC as sole lead arranger and sole book running manager. The 2017 Credit Facility provided for \$350 million in term loan borrowings, all of which was advanced and outstanding on the date of the closing of the transaction.

Until its termination on settlement of the 2028 Notes, the 2017 Credit Facility matured on the earlier of (i) April 18, 2023, or (ii) in the event such debt is not repaid or refinanced, 91 days prior to the maturity of the Company's 7.375% Notes (as defined below). At the Company's election, the interest rate on borrowings under the 2017 Credit Facility are based on either (i) the then applicable base rate (as defined in the 2017 Credit Facility) as, for any day, a rate per annum (rounded upward, if necessary, to the next 1/100th of 1%) equal to the greater of (a) the prime rate published in the Wall Street Journal, (b) 1/2 of 1% in excess rate of the overnight Federal Funds Rate at any given time, (c) the one-month LIBOR rate commencing on such day plus 1.00%) and (d) 2%, or (ii) the then applicable LIBOR rate (as defined in the 2017 Credit Facility). The average interest rate was approximately 5.00% for 2021 and was 5.17% for 2020.

The 2017 Credit Facility was (i) guaranteed by each entity that guarantees the Company's 7.375% Notes on a pari passu basis with the guarantees of the 7.375% Notes and (ii) secured on a pari passu basis with the Company's 7.375% Notes. The Company's obligations under the 2017 Credit Facility were secured, subject to permitted liens and except for certain excluded assets (i) on a first priority basis by certain notes priority collateral, and (ii) on a second priority basis by collateral for the Company's asset-backed line of credit.

In addition to any mandatory or optional prepayments, the Company was required to pay interest on the term loans (i) quarterly in arrears for the base rate loans, and (ii) on the last day of each interest period for LIBOR loans. Certain voluntary prepayments of the term loans during the first six months required an additional prepayment premium. Beginning with the interest payment date occurring in June 2017 and ending in March 2023, the Company was required to repay principal, to the extent then outstanding, equal to 1/4 of 1% of the aggregate initial principal amount of all term loans incurred on the effective date of the 2017 Credit Facility.

The 2017 Credit Facility contained customary representations and warranties and events of default, affirmative and negative covenants (in each case, subject to materiality exceptions and qualifications) which may be more restrictive than those governing the 7.375% Notes. The 2017 Credit Facility also contained certain financial covenants, including a maintenance covenant requiring the Company's interest expense coverage ratio (defined as the ratio of consolidated EBITDA to consolidated interest expense) to be greater than or equal to 1.25 to 1.00 and its total senior secured leverage ratio (defined as the ratio of consolidated net senior secured indebtedness to consolidated EBITDA) to be less than or equal to 5.85 to 1.00.

The net proceeds from the 2017 Credit Facility were used to prepay in full the Company's previous senior secured credit facility and the agreement governing such credit facility.

The 2017 Credit Facility contained affirmative and negative covenants that the Company was required to comply with, including:

- (a) maintaining an interest coverage ratio of no less than:
  - 1.25 to 1.00 on June 30, 2017 and the last day of each fiscal quarter thereafter.

(b) maintaining a senior leverage ratio of no greater than:

- 5.85 to 1.00 on June 30, 2017 and the last day of each fiscal quarter thereafter.

(c) limitations on:

- liens;
- sale of assets;
- payment of dividends; and
- mergers.

The original issue discount was reflected as an adjustment to the carrying amount of the debt obligations and amortized to interest expense over the term of the credit facility using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

#### **7.375% Notes**

On April 17, 2015, the Company closed a private offering of \$350.0 million aggregate principal amount of 7.375% senior secured notes due 2022 (the "7.375% Notes"). The 7.375% Notes were offered at an original issue price of 100.0% plus accrued interest from April 17, 2015 and matured on April 15, 2022. Interest on the 7.375% Notes accrued at the rate of 7.375% per annum and was payable semiannually in arrears on April 15 and October 15, which commenced on October 15, 2015. The 7.375% Notes were guaranteed, jointly and severally, on a senior secured basis by the Company's existing and future domestic subsidiaries, including TV One.

The Company used the net proceeds from the 7.375% Notes, to refinance a previous credit agreement, refinance certain TV One indebtedness, and finance the buyout of membership interests of Comcast in TV One and pay the related accrued interest, premiums, fees and expenses associated therewith.

Until their satisfaction and discharge on settlement of the 2028 Notes, the 7.375% Notes were the Company's senior secured obligations and ranked equal in right of payment with all of the Company's and the guarantors' existing and future senior indebtedness, including obligations under the 2017 Credit Facility and the Company's previously existing senior subordinated notes. The 7.375% Notes and related guarantees were equally and ratably secured by the same collateral securing the 2017 Credit Facility and any other parity lien debt issued after the issue date of the 7.375% Notes, including any additional notes issued under the Indenture, but were effectively subordinated to the Company's and the guarantors' secured indebtedness to the extent of the value of the collateral securing such indebtedness that does not also secure the 7.375% Notes. Collateral included substantially all of the Company's and the guarantors' current and future property and assets for accounts receivable, cash, deposit accounts, other bank accounts, securities accounts, inventory and related assets including the capital stock of each subsidiary guarantor.

On November 9, 2020, we completed the November 2020 Exchange Offer of 99.15% of our outstanding 7.375% Notes for \$347 million aggregate principal amount of 8.75% Notes.

#### **Asset-Backed Credit Facilities**

On April 21, 2016, the Company entered into a senior credit agreement governing an asset-backed credit facility (the "2016 ABL Facility") among the Company, the lenders party thereto from time to time and Wells Fargo Bank National Association, as administrative agent (the "Administrative Agent"). The 2016 ABL Facility originally provided for \$25 million in revolving loan borrowings in order to provide for the working capital needs and general corporate requirements of the Company. On November 13, 2019, the Company entered into an amendment to the 2016 ABL Facility, (the "2016 ABL Amendment"), which increased the borrowing capacity from \$25 million in revolving loan borrowings to \$37.5 million in order to provide for the working capital needs and general corporate requirements of the Company and provides for a letter of credit facility up to \$7.5 million as a part of the overall \$37.5 million in capacity. The 2016 ABL Amendment also redefined the "Maturity Date" to be "the earlier to occur of (a) April 21, 2021 and (b) the date that is thirty (30) days prior to the earlier to occur of (i) the Term Loan Maturity Date (as defined in the Term Loan Credit Agreement as in effect

on the Effective Date or as the same may be extended in accordance with the terms of the Term Loan Credit Agreement), and (ii) the Stated Maturity (as defined in the Senior Secured Notes Indenture (as defined in the Term Loan Credit Agreement)) of the Notes (as defined in the Senior Secured Notes Indenture as in effect on the Effective Date or as the same may be extended in accordance with the terms of the Senior Secured Notes Indenture).”

At the Company's election, the interest rate on borrowings under the 2016 ABL Facility was based on either (i) the then applicable margin relative to Base Rate Loans (as defined in the 2016 ABL Facility) or (ii) the then applicable margin relative to LIBOR Loans (as defined in the 2016 ABL Facility) corresponding to the average availability of the Company for the most recently completed fiscal quarter.

Advances under the 2016 ABL Facility were limited to (a) eighty-five percent (85%) of the amount of Eligible Accounts (as defined in the 2016 ABL Facility), less the amount, if any, of the Dilution Reserve (as defined in the 2016 ABL Facility), minus (b) the sum of (i) the Bank Product Reserve (as defined in the 2016 ABL Facility), plus (ii) the aggregate amount of all other reserves, if any, established by Administrative Agent.

All obligations under the 2016 ABL Facility were secured by first priority lien on all (i) deposit accounts (related to accounts receivable), (ii) accounts receivable, (iii) all other property which constitutes ABL Priority Collateral (as defined in the 2016 ABL Facility). The obligations were also secured by all material subsidiaries of the Company.

The 2016 ABL Facility was subject to the terms of the Intercreditor Agreement (as defined in the 2016 ABL Facility) by and among the Administrative Agent, the administrative agent for the secured parties under the Company's term loan and the trustee and collateral trustee under the senior secured notes indenture.

In connection with the offering of the 2028 Notes, the Company entered into an amendment of its 2016 ABL Facility to facilitate the issuance of the 2028 Notes. The amendments to the 2016 ABL Facility, included, among other things, a consent to the issuance of the 2028 Notes, revisions to terms and exclusions of collateral and addition of certain subsidiaries as guarantors.

On February 19, 2021, the Company closed on an asset backed credit facility (the “Current ABL Facility”). The Current ABL Facility is governed by a credit agreement by and among the Company, the other borrowers party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent. The Current ABL Facility provides for up to \$50 million revolving loan borrowings in order to provide for the working capital needs and general corporate requirements of the Company. The Current ABL Facility also provides for a letter of credit facility up to \$5 million as a part of the overall \$50 million in capacity. On closing of the Current ABL Facility, the 2016 ABL Facility was terminated on February 19, 2021. As of December 31, 2022 and 2021, there is no balance outstanding on the Current ABL Facility.

At the Company's election, the interest rate on borrowings under the Current ABL Facility are based on either (i) the then applicable margin relative to Base Rate Loans (as defined in the Current ABL Facility) or (ii) the then applicable margin relative to LIBOR Loans (as defined in the Current ABL Facility) corresponding to the average availability of the Company for the most recently completed fiscal quarter. See Note 18 – *Subsequent Events* of our consolidated financial statements for further details.

Advances under the Current ABL Facility are limited to (a) eighty-five percent (85%) of the amount of Eligible Accounts (as defined in the Current ABL Facility), less the amount, if any, of the Dilution Reserve (as defined in the Current ABL Facility), minus (b) the sum of (i) the Bank Product Reserve (as defined in the Current ABL Facility), plus (ii) the AP and Deferred Revenue Reserve (as defined in the Current ABL Facility), plus (iii) without duplication, the aggregate amount of all other reserves, if any, established by Administrative Agent.

All obligations under the Current ABL Facility are secured by a first priority lien on all (i) deposit accounts (related to accounts receivable), (ii) accounts receivable, and (iii) all other property which constitutes ABL Priority Collateral (as defined in the Current ABL Facility). The obligations are also guaranteed by all material restricted subsidiaries of the Company. The Current ABL Facility includes a covenant requiring the Company's fixed charge coverage ratio, as defined in the agreement, to not be less than 1.00 to 1.00. The Company is in compliance as of December 31, 2022.

The Current ABL Facility matures on the earlier to occur of (a) the date that is five (5) years from the effective date of the Current ABL Facility, and (b) 91 days prior to the maturity of the Company's 2028 Notes.

The Current ABL Facility is subject to the terms of the Revolver Intercreditor Agreement (as defined in the Current ABL Facility) by and among the Administrative Agent and Wilmington Trust, National Association. See Note 18 – *Subsequent Events* of our consolidated financial statements for further details.

**Letter of Credit Facility**

On February 24, 2015, the Company entered into a letter of credit reimbursement and security agreement providing for letter of credit capacity of up to \$1.2 million. On October 8, 2019, the Company entered into an amendment to its letter of credit reimbursement and security agreement and extended the term to October 8, 2024. As of December 31, 2022, the Company had letters of credit totaling \$871,000 under the agreement for certain operating leases and certain insurance policies. Letters of credit issued under the agreement are required to be collateralized with cash. In addition, the Current ABL Facility provides for letter of credit capacity of up to \$5 million subject to certain limitations on availability.

**Future Minimum Principal Payments**

Future scheduled minimum principal payments of debt as of December 31, 2022, were as follows:

	<b>7.375% Senior Secured Notes due February 2028 (In thousands)</b>	
2023	\$	—
2024		—
2025		—
2026		—
2027		—
2028 and thereafter		750,000
<b>Total debt</b>	<b>\$</b>	<b>750,000</b>

**12. INCOME TAXES:**

A reconciliation of the statutory federal income taxes to the recorded provision for income taxes from continuing operations is as follows:

	<b>For the Years Ended December 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(As Restated)</b>	
	<b>(In thousands)</b>	
Statutory federal tax expense	\$ 11,905	\$ 10,949
Effect of state taxes, net of federal benefit	3,308	2,062
Effect of state rate and tax law changes	747	(1,232)
Impairment of long-lived intangible assets	908	—
Non-deductible officer's compensation	1,985	2,055
PPP loan income forgiveness	(1,591)	—
Change in valuation allowance	(234)	(13)
IRC Section 382 adjustments	(334)	(705)
NOL expirations	268	610
Uncertain tax positions	(495)	(777)
Other	254	85
<b>Provision for income taxes</b>	<b>\$ 16,721</b>	<b>\$ 13,034</b>

The statutory federal tax rate used for the years ended December 31, 2022 and 2021 is 21.0%. Major components of the effective tax rate for the years ended December 31, 2022 and 2021 are related to net operating loss limitations, net operating loss expirations, impairments of long-lived assets, limitation of officer's compensation under IRC Section 162(m), uncertain tax positions, state income taxes, and non-taxable PPP Loan income forgiveness for the year ended December 31, 2022.

On August 16, 2022, the Inflation Reduction Act was signed into law. The tax provisions included within the Inflation Reduction Act did not materially affect the Company's consolidated financial statements in the current year.

The components of the provision for income taxes from continuing operations are as follows:

	For the Years Ended December 31,	
	2022	2021 (As Restated)
	(In thousands)	
Federal:		
Current	\$ —	\$ —
Deferred	13,269	12,952
State:		
Current	1,843	1,063
Deferred	1,609	(981)
Provision for income taxes	<u>\$ 16,721</u>	<u>\$ 13,034</u>

**Deferred Income Taxes**

Deferred income taxes reflect the impact of temporary differences between the assets and liabilities recognized for financial reporting purposes and amounts recognized for tax purposes. Deferred taxes are based on tax laws as currently enacted. Deferred tax assets are reduced by a valuation allowance if, based upon the weight of available evidence, it is not more likely than not that we will realize some portion or all of the deferred tax assets. The significant components of the Company's deferred tax assets and liabilities are as follows:

	As of December 31,	
	2022	2021 (As Restated)
(In thousands)		
<b>Deferred tax assets:</b>		
Allowance for doubtful accounts	\$ 2,149	\$ 2,111
Accruals	304	465
Fixed assets	488	486
Stock-based compensation	328	163
Net operating loss carryforwards	88,813	109,343
Lease liability	8,901	10,022
Interest expense carryforward	23,788	20,380
<b>Total deferred tax assets</b>	<b>124,771</b>	<b>142,970</b>
Valuation allowance for deferred tax assets	(30)	(264)
<b>Total deferred tax asset, net of valuation allowance</b>	<b>124,741</b>	<b>142,706</b>
<b>Deferred tax liabilities:</b>		
Intangible assets	(129,026)	(131,682)
Available-for-sale securities	(23,779)	(17,618)
Right of use asset	(8,123)	(8,924)
Partnership interests	(2,412)	(1,964)
Deferred financing costs	(958)	(1,196)
Other	(147)	(199)
<b>Total deferred tax liabilities</b>	<b>(164,445)</b>	<b>(161,583)</b>
<b>Net deferred tax liability</b>	<b>\$ (39,704)</b>	<b>\$ (18,877)</b>

As of December 31, 2022, the Company had pre-tax federal and state NOL carryforward amounts of approximately \$525.5 million and \$330.5 million, respectively. The amount of the state NOLs may change if future apportionment factors differ from current factors. Additionally, the Company continues to assess potential tax strategies, which if successful, may reduce the impact of the annual limitations and potentially recover NOLs that otherwise would expire before being applied to reduce future income tax liabilities. If successful, the Company may be able to recover additional federal and state NOLs in future periods, which could be material. If we conclude that it is more likely than not that we will be able to realize additional federal and state NOLs, the tax benefit could materially impact future quarterly and annual periods. However, if these potential tax strategies do not meet the more likely than not threshold, the Company may claim these additional NOLs as unrecognized tax benefits. The federal and state NOLs expire in various years from 2023 to 2039.

As of December 31, 2022, the gross deferred tax assets of approximately \$124.7 million were primarily the result of federal and state net operating losses and the IRC Section 163(j) interest expense carryforward. A valuation allowance of \$30,000 and \$264,000 was recorded against our gross deferred tax asset balance as of December 31, 2022 and 2021, respectively, and is related to state jurisdictions where it is not more likely than not the deferred tax assets will be realized.

The assessment to determine the value of the deferred tax assets to be realized under ASC 740 is highly judgmental and requires the consideration of all available positive and negative evidence in evaluating the likelihood of realizing the tax benefit of the deferred tax assets in a future period. Circumstances may change over time such that previous negative evidence no longer exists, and new conditions should be evaluated as positive or negative evidence that could affect the realization of the deferred tax assets. Since the evaluation requires consideration of events that may occur in some years

in the future, significant judgment is required, and our conclusion could be materially different if certain expectations do not materialize.

In the assessment of all available evidence, an important piece of objective verifiable evidence is evaluating a cumulative income or loss position over the most recent three-year period. Historically, the Company has maintained a full valuation against the net deferred tax assets, principally due to a cumulative loss over the most recent three-year period. During the quarter ended December 31, 2018, the Company achieved three years of cumulative income, which removed the most heavily weighed piece of objective verifiable negative evidence from our evaluation of the realizability of deferred tax assets. The Company continues to maintain three years of rolling cumulative income as of December 31, 2022.

Additionally, the Company is projecting forecasts of taxable income to utilize our federal and state NOLs as part of our evaluation of positive evidence. As part of the 2017 Tax Act, IRC Section 163(j) limited the deduction of interest expense. In conjunction with evaluating and weighing the aforementioned negative and positive evidence from the Company's historical cumulative income or loss position, management also evaluated the impact that interest expense has had on our cumulative income or loss position over the most recent three-year period. A material component of the Company's expenses is interest, and has been the primary driver of historical pre-tax losses. Adjusting for the IRC Section 163(j) interest expense limitation on projected taxable income, we estimate utilization of federal and state net operating losses that are not subject to annual limitations as a result of the 2009 ownership shift as defined under IRC Section 382.

Realization of the Company's federal and state net operating losses is dependent on generating sufficient taxable income in future periods, and although the Company believes it is more likely than not future taxable income will be sufficient to utilize the net operating losses, realization is not assured and future events may cause a change to the judgment of the realizability of these deferred tax assets. If a future event causes the Company to re-evaluate and conclude that it is not more likely than not, that all or a portion of the deferred tax assets are realizable, the Company would be required to establish a valuation allowance against the assets at that time which would result in a charge to income tax expense and a decrease to net income in the period which the change of judgment is concluded.

#### **Unrecognized Tax Benefits**

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2022	2021
	(In thousands)	
Balance as of January 1	\$ 1,315	\$ 2,299
Additions for tax positions related to current years	—	—
Additions (deductions) for tax positions related to prior years	8	8
Deductions for tax positions as a result of the lapse of applicable statutes of limitation	(635)	(992)
Balance as of December 31	<u>\$ 688</u>	<u>\$ 1,315</u>

The nature of the uncertainties pertaining to the Company's income taxes is primarily due to various state income tax positions that affect the amount of state NOLs available to be applied to reduce future state income tax liabilities. The unrecognized tax benefits liability accrued on our balance sheet increased by \$8,000 and decreased by \$635,000 and \$992,000 during the years ended December 31, 2022 and 2021, respectively, primarily as a result of state NOL utilizations and expirations, and applicable tax rate changes. As of December 31, 2022, the Company had unrecognized tax benefits of \$688,000, which if recognized, would impact the effective tax rate.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as a component of tax expense. There is no material amount of interest and penalties recognized in the statement of operations and the balance sheet for the year ended December 31, 2022. The Company believes that it is reasonably possible that a decrease of up to \$57,000 of unrecognized tax benefits related to state tax exposures may be necessary within the coming year.



The Company files income tax returns in the U.S. federal jurisdiction, various state and local jurisdictions and is subject to examination by the various taxing authorities. The Company's open tax years for federal income tax examinations include the tax years ended December 31, 2019 through 2022. For state and local purposes, the open years for tax examinations include the tax years ended December 31, 2018 through 2022. To the extent that net operating losses are utilized, the year of the loss may be subject to examination.

### **13. STOCKHOLDERS' EQUITY:**

On June 16, 2020, the Company's Board of Directors authorized an amendment (the "Potential Amendment") of Urban One's certificate of incorporation to effect a reverse stock split across all classes of common stock by a ratio of not less than one-for-two and not more than one-for-fifty at any time prior to December 31, 2021, with the exact ratio to be set at a whole number within this range as determined by the Board of Directors in its discretion. The Company's shareholders approved the Potential Amendment at the annual meeting of the shareholders June 16, 2020. The Company has not acted on the Potential Amendment but may do so in the future as the discretion of the Board of Directors.

In August 2020, the Company entered into an arrangement (the "2020 Open Market Sales Agreement") to sell shares, from time to time, of its Class A common stock, par value \$0.001 per share (the "Class A Shares"). During the year ended December 31, 2020, the Company issued 2,859,276 shares of its Class A Shares at a weighted average price of \$5.39 for approximately \$14.7 million of net proceeds after associated fees and expenses. In January 2021, the Company issued and sold an additional 1,465,826 shares for approximately \$9.3 million of net proceeds after associated fees and expenses, which completed the 2020 Open Market Sales Agreement. Subsequently, in January 2021, the Company entered into an arrangement (the "2021 Open Market Sale Agreement") to sell additional Class A Shares from time to time. During the three months ended March 31, 2021, the Company issued and sold 420,439 Class A Shares for approximately \$2.8 million of net proceeds after associated fees and expenses. During the three months ended June 30, 2021, the Company issued and sold an additional 1,893,126 Class A Shares for approximately \$21.2 million of net proceeds after associated fees and expenses, which completed its 2021 Open Market Sales Agreement.

On May 17, 2021, the Company entered into an Open Market Sale Agreement (the "Class D Sale Agreement") under which the Company may offer and sell, from time to time at its sole discretion, shares of its Class D common stock, par value \$0.001 per share (the "Class D Shares"). On May 17, 2021, the Company filed a prospectus supplement pursuant to the Class D Sale Agreement for the offer and sale of its Class D Shares having an aggregate offering price of up to \$25.0 million, that has since expired as of March 14, 2022. As of December 31, 2022, the Company has not sold any Class D Shares under the Class D Sale Agreement. The Company may from time to time also enter into new additional ATM programs and issue additional common stock from time to time under those programs.

On October 29, 2021, Alfred C. Liggins, President and Chief Executive Officer of Urban One, Inc., Catherine L. Hughes, Founder and Chairperson of Urban One, Inc., and entities affiliated with one or both of them, converted a total of 883,890 shares of Class C Common Stock from their personal holdings into 883,890 shares of Class A Common Stock, also in their personal holdings.

#### **Common Stock**

The Company has four classes of common stock, Class A, Class B, Class C and Class D. Generally, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A common stock entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. The holders of Class C and Class D common stock are not entitled to vote on any matters. The holders of Class A common stock can convert such shares into shares of Class C or Class D common stock. Subject to certain limitations, the holders of Class B common stock can convert such shares into shares of Class A common stock. The holders of Class C common stock can convert such shares into shares of Class A common stock. The holders of Class D common stock have no such conversion rights.

### **Stock Repurchase Program**

From time to time, the Board of Directors has authorized repurchases of shares of the Company's Class A and Class D common stock. Under the stock repurchase program, the Company intends to repurchase shares through open market purchases, privately negotiated transactions, block purchases or otherwise in accordance with applicable federal securities laws, including Rule 10b-18 of the Securities Exchange Act of 1934 (the "Exchange Act"). Under open authorizations, repurchases may be made from time to time in the open market or in privately negotiated transactions in accordance with applicable laws and regulations. Shares are retired when repurchased. The timing and extent of any repurchases will depend upon prevailing market conditions, the trading price of the Company's Class A and/or Class D common stock and other factors, and subject to restrictions under applicable law. When in effect, the Company executes upon stock repurchase programs in a manner consistent with market conditions and the interests of the stockholders, including maximizing stockholder value.

On March 7, 2022, the Board of Directors authorized and approved a share repurchase program for up to \$25 million of the currently outstanding shares of the Company's Class A and/or Class D common stock over a period of 24 months. On December 6, 2022, the Board of Directors authorized and approved a share repurchase program for up to an additional \$10 million of the currently outstanding shares of the Company's Class A and/or Class D common stock. During the year ended December 31, 2022, the Company repurchased 4,779,969 shares of Class D common stock in the amount of approximately \$25.0 million at an average price of \$5.24 per share. The Company did not repurchase any Shares of Class A common stock during the year ended December 31, 2022. As of December 31, 2022, the Company had approximately \$10.0 million remaining under its most recent and open authorization with respect to its Class A and Class D common stock. During the year ended December 31, 2021, the Company did not repurchase any shares of Class A common stock and repurchased 6,715 shares of Class D common stock in the amount of \$39,000 at an average price of \$5.80 per share.

On September 27, 2022, the Compensation Committee authorized the repurchase up to \$500,000 worth of shares in the aggregate from employees who want to sell in connection with the Company's most recent employee stock grant. During the year ended December 31, 2022, the Company repurchased 13,577 shares of Class D common stock in the amount of \$57,000 at an average price of \$4.23 per share. Giving effect to the repurchases, the Company has \$443,000 remaining under its most recent and open authorization.

In addition, the Company has limited but ongoing authority to purchase shares of Class D common stock (in one or more transactions at any time there remain outstanding grants) under the Company's 2009 Stock Plan and 2019 Equity and Performance Incentive Plan (both as defined below). This limited authority is used to satisfy any employee or other recipient tax obligations in connection with the exercise of an option or a share grant under the 2009 Stock Plan and the 2019 Equity and Performance Incentive Plan, to the extent that the Company has capacity under its financing agreements (i.e., its current credit facilities and indentures) (each a "Stock Vest Tax Repurchase"). During the years ended December 31, 2022 and 2021, the Company executed Stock Vest Tax Repurchases of 344,702 shares of Class D Common Stock in the amount of approximately \$1.5 million at an average price of \$4.29 per share and 515,162 shares of Class D Common Stock in the amount of \$931,000 at an average price of \$1.81 per share, respectively.

### **Stock Option and Restricted Stock Grant Plan**

The Company's 2009 stock option and restricted stock plan (the "2009 Stock Plan") was originally approved by the stockholders at the Company's annual meeting on December 16, 2009. The Company had the authority to issue up to 8,250,000 shares of Class D Common Stock under the 2009 Stock Plan. Since its original approval, from time to time, the Board of Directors adopted and as required, our stockholders approved certain amendments to and restatement of the 2009 Stock Plan (the "Amended and Restated 2009 Stock Plan"). The amendments under the Amended and Restated 2009 Stock Plan primarily affected (i) the number of shares with respect to which options and restricted stock grants may be granted under the 2009 Stock Plan and (ii) the maximum number of shares that can be awarded to any individual in any one calendar year. In 2015, the Board of Directors adopted, and our stockholders approved an amendment that replenished the authorized plan shares, increasing the number of shares of Class D common stock available for grant back up to 8,250,000 shares. The new stock option and restricted stock plan ("2019 Equity and Performance Incentive Plan"), currently in effect was approved by the stockholders at the Company's annual meeting on May 21, 2019. The Board of Directors adopted, and on May 21, 2019, our stockholders approved, the 2019 Equity and Performance Incentive Plan which was funded with

5,500,000 shares of Class D Common Stock. On June 23, 2021, the Company's Board of Directors authorized an amendment of the Urban One 2019 Equity and Performance Incentive Plan to increase the number of shares available for grant and to provide the grant of Class A as well as Class D shares. The amendment was approved by the Company's shareholders and added 5,519,575 shares of Class D Shares and added 2,000,000 Class A Shares. As of December 31, 2022, 3,656,278 shares of Class D common stock and 1,250,000 shares of Class A common stock were available for grant under the 2019 Equity and Performance Incentive Plan. The Company uses an average life for all option awards. The Company settles stock options upon exercise by issuing stock.

On September 27, 2022, the Compensation Committee of the Board of Directors of the Company awarded Catherine Hughes, Chairperson, 201,961 restricted shares of the Company's Class D common stock, and stock options to purchase 101,702 shares of the Company's Class D common stock. The grants were effective September 27, 2022, and immediately vested on September 27, 2022.

On September 27, 2022, the Compensation Committee awarded Catherine Hughes, Chairperson, 281,250 restricted shares of the Company's Class A common stock. The grant was effective September 27, 2022, and cliff vests January 5, 2025.

On June 12, 2019, the Compensation Committee awarded Catherine Hughes, Chairperson, 427,148 restricted shares of the Company's Class D common stock, and stock options to purchase 189,843 shares of the Company's Class D common stock. The grants were effective June 5, 2020 and vested on January 6, 2021.

On September 27, 2022, the Compensation Committee awarded Alfred Liggins, Chief Executive Officer, 336,602 restricted shares of the Company's Class D common stock, and stock options to purchase 169,503 shares of the Company's Class D common stock. The grants were effective September 27, 2022, and immediately vested on September 27, 2022.

On September 27, 2022, the Compensation Committee awarded Alfred Liggins, Chief Executive Officer, 468,750 restricted shares of the Company's Class A common stock. The grant was effective September 27, 2022, and cliff vests January 5, 2025.

On June 12, 2019, the Compensation Committee awarded Alfred Liggins, Chief Executive Officer and President, 711,914 restricted shares of the Company's Class D common stock, and stock options to purchase 316,406 shares of the Company's Class D common stock. The grants were effective June 5, 2020 and vested on January 6, 2021.

On September 27, 2022, the Compensation Committee awarded Peter Thompson, Chief Financial Officer, 115,248 restricted shares of the Company's Class D common stock, and stock options to purchase 58,036 shares of the Company's Class D common stock. The grants were effective September 27, 2022, and immediately vested on September 27, 2022.

On September 27, 2022, the Compensation Committee awarded Peter Thompson, Chief Financial Officer, 150,000 restricted shares of the Company's Class D common stock. The grant was effective September 27, 2022, and cliff vests January 5, 2025.

On June 12, 2019, the Compensation Committee awarded Peter Thompson, Chief Financial Officer, 243,750 restricted shares of the Company's Class D common stock, and stock options to purchase 108,333 shares of the Company's Class D common stock. The grants were effective June 5, 2020 and vested on January 6, 2021.

On September 27, 2022, the Compensation Committee awarded David Kantor, Chief Executive Officer – Radio Division, 100,160 restricted shares of the Company's Class D common stock, and stock options to purchase 50,438 shares of the Company's Class D common stock. The grants were effective September 27, 2022, and immediately vested on September 27, 2022.

On June 12, 2019, the Compensation Committee awarded David Kantor, Chief Executive Officer – Radio Division, 211,838 restricted shares of the Company's Class D common stock, and stock options to purchase 94,150 shares of the Company's Class D common stock. The grants were effective June 5, 2020 and vested on January 6, 2021.

On September 27, 2022, the Compensation Committee awarded Karen Wishart, Chief Administrative Officer, 39,007 restricted shares of the Company's Class D common stock, and stock options to purchase 19,643 shares of the Company's Class D common stock. The grants were effective September 27, 2022, and immediately vested on September 27, 2022.

On September 27, 2022, the Compensation Committee awarded C. Kristopher Simpson, General Counsel, 23,936 restricted shares of the Company's Class D common stock, and stock options to purchase 12,054 shares of the Company's Class D common stock. The grants were effective September 27, 2022, and immediately vested on September 27, 2022.

On September 27, 2022, the Compensation Committee awarded 195,032 restricted shares of the Company's Class D common stock, and stock options to purchase 208,298 shares of the Company's Class D common stock to certain employees pursuant to the Company's long-term incentive plan. The grants were effective September 27, 2022 with various vest dates of January 5, 2023, March 31, 2023 and September 29, 2023.

Pursuant to the terms of each of our stock plans and subject to the Company's insider trading policy, a portion of each recipient's vested shares may be sold in the open market for tax purposes on or about the vesting dates.

The Company measures compensation cost for all stock-based awards at fair value on date of grant and recognizes the related expense over the service period for awards expected to vest. The restricted stock-based awards do not participate in dividends until fully vested. The fair value of stock options is determined using the BSM. Such fair value is recognized as an expense over the service period, net of estimated forfeitures, using the straight-line method. Estimating the number of stock awards that will ultimately vest requires judgment, and to the extent actual forfeitures differ substantially from our current estimates, amounts will be recorded as a cumulative adjustment in the period the estimated number of stock awards are revised. We consider many factors when estimating expected forfeitures, including the types of awards, employee classification and historical experience. Actual forfeitures may differ substantially from our current estimate.

The Company's use of the BSM to calculate the fair value of stock-based awards incorporates various assumptions including volatility, expected life, and interest rates. For options granted, the BSM determines: (i) the term by using the simplified "plain-vanilla" method as allowed under SAB No. 110; (ii) a historical volatility over a period commensurate with the expected term, with the observation of the volatility on a daily basis; and (iii) a risk-free interest rate that was consistent with the expected term of the stock options and based on the U.S. Treasury yield curve in effect at the time of the grant.

Stock-based compensation expense for the years ended December 31, 2022 and 2021, was approximately \$6.6 million and \$565,000, respectively.

The Company granted a total of 884,061 stock options during the year ended December 31, 2022 and granted a total of 40,917 stock options during the year ended December 31, 2021. The per share weighted-average fair value of options granted during the years ended December 31, 2022 and 2021, was \$2.82 and \$2.77, respectively.

These fair values were derived using the BSM with the following weighted-average assumptions:

	For the Years Ended December 31,	
	2022	2021
Average risk-free interest rate	2.79 %	0.68 %
Expected dividend yield	— %	— %
Expected lives	5.69 years	5.16 years
Expected volatility	79.92 %	82.04 %

Transactions and other information relating to stock options for the years December 31, 2022 and 2021 are summarized below:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2020	4,018,991	\$ 2.11	6.48	\$ 41,000
Grants	40,917	4.32	—	—
Exercised	(229,756)	1.70	—	—
Forfeited/cancelled/expired/settled	(59,239)	1.27	—	—
Outstanding at December 31, 2021	3,770,913	\$ 2.18	5.68	\$ 4,659,601
Grants	884,061	4.22	—	—
Exercised	(60,240)	0.83	—	—
Forfeited/cancelled/expired/settled	—	—	—	—
Balance as of December 31, 2022	4,594,734	\$ 2.59	5.72	\$ 5,871,492
Vested and expected to vest at December 31, 2022	4,542,266	2.57	5.68	5,871,492
Unvested at December 31, 2022	465,798	4.23	9.74	—
Exercisable at December 31, 2022	4,128,936	2.40	5.24	5,871,492

The aggregate intrinsic value in the table above represents the difference between the Company's stock closing price on the last day of trading during the year ended December 31, 2022, and the exercise price, multiplied by the number of shares that would have been received by the holders of in-the-money options had all the option holders exercised their options on December 31, 2022. This amount changes based on the fair market value of the Company's stock.

There were 60,240 and 229,756 options exercised during the years ended December 31, 2022 and 2021, respectively. A total of 439,180 and 903,643 options vested during the years ended December 31, 2022 and 2021, respectively.

As of December 31, 2022, approximately \$1.1 million of total unrecognized compensation cost related to stock options is expected to be recognized over a weighted-average period of 16 months. The weighted-average fair value per share of shares underlying stock options was \$1.66 at December 31, 2022.

The Company granted 1,357,687 and 101,057 restricted shares of Class D common stock during the years ended December 31, 2022 and 2021, respectively.

The Company granted 750,000 restricted shares of Class A common stock during the year ended December 31, 2022. The Company did not grant any restricted shares of Class A common stock during the year ended December 31, 2021.

On July 5, 2022, each of the Company's four non-executive directors received 11,848 shares of restricted stock, valued at \$50,000 based upon the closing price of the Company's Class D common stock on the grant date. The shares vest in equal portions over two years. On July 6, 2021, each of the four non-executive directors received 9,671 shares of restricted stock, valued at \$50,000 based upon the closing price of the Company's Class D common stock on the grant date. The shares vest in equal portions over two years.

Transactions and other information relating to restricted stock grants for the years ended December 31, 2022 and 2021 are summarized below:

	Shares	Average Fair Value at Grant Date
Unvested at December 31, 2020	1,723,561	\$ 0.83
Grants	101,057	3.22
Vested	(1,748,562)	0.83
Forfeited/cancelled/expired	—	—
Unvested at December 31, 2021	76,056	\$ 3.90
Grants	1,357,687	4.27
Vested	(999,479)	4.25
Forfeited/cancelled/expired	—	—
Unvested at December 31, 2022	434,264	\$ 4.27

For awards of Class A common stock during the years ended December 31, 2022 and 2021, the Company granted 750,000 shares of restricted stock on September 27, 2022, at an average fair value at grant date of \$5.39 per share. There were no shares that vested or were cancelled during the period. There were 750,000 unvested shares of restricted Class A common stock as of December 31, 2022 with an average fair value at grant date of \$5.39.

Restricted stock grants for Class D shares were and are included in the Company's outstanding share numbers on the effective date of grant. As of December 31, 2022, approximately \$1.4 million of total unrecognized compensation cost related to restricted stock grants was expected to be recognized over a weighted-average period of 13 months.

Restricted stock grants for Class A shares were and are included in the Company's outstanding share numbers on the effective date of grant. As of December 31, 2022, approximately \$3.6 million of total unrecognized compensation cost related to restricted stock grants is expected to be recognized over a weighted-average period of 24 months.

#### 14. PROFIT SHARING AND EMPLOYEE SAVINGS PLAN:

The Company maintains a profit sharing and employee savings plan under Section 401(k) of the Internal Revenue Code. This plan allows eligible employees to defer allowable portions of their compensation on a pre-tax basis through contributions to the savings plan. The Company may contribute to the plan at the discretion of its Board of Directors. The Company does not match employee contributions. The Company did not make any contributions to the plan during the years ended December 31, 2022 and 2021.

#### 15. COMMITMENTS AND CONTINGENCIES:

##### *Radio Broadcasting Licenses*

Each of the Company's radio stations operates pursuant to one or more licenses issued by the Federal Communications Commission that have a maximum term of eight years prior to renewal. The Company's radio broadcasting licenses expire at various times beginning in October 2027 through August 1, 2030. Although the Company may apply to renew its radio broadcasting licenses, third parties may challenge the Company's renewal applications. The Company is not aware of any facts or circumstances that would prevent the Company from having its current licenses renewed. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application was filed and is pending, as is the case with respect to each of our stations with licenses that have expired.

##### *Royalty Agreements*

Musical works rights holders, generally songwriters and music publishers, have been traditionally represented by performing rights organizations, such as the American Society of Composers, Authors and Publishers ("ASCAP"), Broadcast Music, Inc. ("BMI") and SESAC, Inc. ("SESAC"). The market for rights relating to musical works is changing

rapidly. Songwriters and music publishers have withdrawn from the traditional performing rights organizations, particularly ASCAP and BMI, and new entities, such as Global Music Rights, Inc. ("GMR"), have been formed to represent rights holders. These organizations negotiate fees with copyright users, collect royalties and distribute them to the rights holders. We currently have arrangements with ASCAP, SESAC and GMR. On April 22, 2020, the Radio Music License Committee ("RMLC"), an industry group which the Company is a part of, and BMI reached agreement on the terms of a new license agreement that covers the period January 1, 2017, through December 31, 2021. Upon approval of the court of the BMI/RMLC agreement, the Company automatically became a party to the agreement and to a license with BMI through December 31, 2021. On April 12, 2022, the RMLC announced that it had reached an interim licensing agreement with BMI. The radio industry's previous agreement with BMI covering calendar years 2017 to 2021 expired December 31, 2021 (the "2017 Licensing Terms"), but the interim arrangement will keep the 2017 Licensing Terms in place until a new arrangement is agreed upon. The Company is party to the interim arrangement and, therefore, will continue to operate under the 2017 Licensing Terms. On February 7, 2022, the RMLC and GMR reached a settlement and achieved certain conditions which effectuate a four-year license to which the Company is a party for the period April 1, 2022 to March 31, 2026. The license includes an optional three-year extended term that the Company may effectuate prior to the end of the initial term.

**Leases and Other Operating Contracts and Agreements**

The Company has noncancelable operating leases for office space, studio space, broadcast towers and transmitter facilities that expire over the next nine years. The Company's leases for broadcast facilities generally provide for a base rent plus real estate taxes and certain operating expenses related to the leases. Certain of the Company's leases contain renewal options, escalating payments over the life of the lease and rent concessions. The future rentals under non-cancelable leases as of December 31, 2022, are shown below.

The Company has other operating contracts and agreements including employment contracts, on-air talent contracts, severance obligations, retention bonuses, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements that expire over the next five years. The amounts the Company is obligated to pay for these agreements are shown below.

	Operating Lease Agreements	Other Operating Contracts and Agreements
	(In thousands)	
Years ending December 31:		
2023	\$ 11,697	\$ 77,445
2024	10,690	36,049
2025	6,834	26,164
2026	4,860	12,893
2027	3,417	3,834
2028 and thereafter	7,140	12,959
Total	<u>\$ 44,638</u>	<u>\$ 169,344</u>

Of the total amount of other operating contracts and agreements included in the table above, approximately \$96.6 million has not been recorded on the balance sheet as of December 31, 2022, as it does not meet recognition criteria. Approximately \$13.0 million relates to certain commitments for content agreements for our cable television segment, approximately \$38.7 million relates to employment agreements, and the remainder relates to other programming, network and operating agreements.

**Reach Media Redeemable Noncontrolling Interests**

Beginning on January 1, 2018, the noncontrolling interest shareholders of Reach Media have had an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares (the "Put Right"). This annual right is exercisable for a 30-day period beginning January 1 of each year. The purchase price

for such shares may be paid in cash and/or registered Class D common stock of Urban One, at the discretion of Urban One. The noncontrolling interest shareholders of Reach Media did not exercise their Put Right for the 30-day period ending January 31, 2023. Management, at this time, cannot reasonably determine the period when and if the put right will be exercised by the noncontrolling interest shareholders.

**Letters of Credit**

The Company currently is under a letter of credit reimbursement and security agreement with capacity of up to \$1.2 million which expires on October 8, 2024. As of December 31, 2022, the Company had letters of credit totaling \$871,000 under the agreement for certain operating leases and certain insurance policies. Letters of credit issued under the agreement are required to be collateralized with cash. In addition, the Current ABL Facility provides for letter of credit capacity of up to \$5 million subject to certain limitations on availability.

**Other Contingencies**

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management's opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company's financial position or results of operations.

**16. SEGMENT INFORMATION:**

The Company has four reportable segments: (i) radio broadcasting; (ii) Reach Media; (iii) digital; and (iv) cable television. These segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The radio broadcasting segment consists of all broadcast results of operations. The Reach Media segment consists of the results of operations for the related activities and operations of our syndicated shows. The digital segment includes the results of our online business, including the operations of Interactive One, as well as the digital components of our other reportable segments. The cable television segment consists of the Company's cable TV operation, including results of operations of TV One and CLEO TV. Business activities unrelated to these four segments are included in an "all other" category which the Company refers to as "All other - corporate/eliminations."

Operating loss or income represents total revenues less operating expenses, depreciation and amortization, and impairment of long-lived assets. Intercompany revenue earned and expenses charged between segments are recorded at estimated fair value and eliminated in consolidation.

The accounting policies described in the summary of significant accounting policies in Note 3 – *Summary of Significant Accounting Policies* are applied consistently across the segments.



Detailed segment data for the years ended December 31, 2022 and 2021 is presented in the following table:

	Year Ended December 31,	
	2022	2021 (As Restated)
	(In thousands)	
<b>Net revenue:</b>		
Radio broadcasting	\$ 156,678	\$ 140,246
Reach Media	43,117	46,437
Digital	78,526	59,937
Cable television	209,871	197,003
All other - corporate/eliminations*	(3,588)	(3,338)
<b>Consolidated</b>	<b>\$ 484,604</b>	<b>\$ 440,285</b>
<b>Operating Expenses (including stock-based compensation and excluding depreciation and amortization and impairment of long-lived assets):</b>		
Radio broadcasting	\$ 108,952	\$ 98,250
Reach Media	28,244	32,911
Digital	56,760	42,698
Cable television	105,420	101,872
All other - corporate/eliminations	39,824	36,722
<b>Consolidated</b>	<b>\$ 339,200</b>	<b>\$ 312,453</b>
<b>Depreciation and Amortization:</b>		
Radio broadcasting	\$ 3,411	\$ 3,135
Reach Media	188	208
Digital	1,323	1,264
Cable television	3,847	3,738
All other - corporate/eliminations	1,265	944
<b>Consolidated</b>	<b>\$ 10,034</b>	<b>\$ 9,289</b>
<b>Impairment of Long-Lived Assets:</b>		
Radio broadcasting	\$ 40,683	\$ 2,104
Reach Media	—	—
Digital	—	—
Cable television	—	—
All other - corporate/eliminations	—	—
<b>Consolidated</b>	<b>\$ 40,683</b>	<b>\$ 2,104</b>
<b>Operating income (loss):</b>		
Radio broadcasting	\$ 3,632	\$ 36,757
Reach Media	14,685	13,318
Digital	20,443	15,975
Cable television	100,604	91,393
All other - corporate/eliminations	(44,677)	(41,004)
<b>Consolidated</b>	<b>\$ 94,687</b>	<b>\$ 116,439</b>
<b>* Intercompany revenue included in net revenue above is as follows:</b>		
Radio broadcasting	\$ (3,588)	\$ (3,338)

Capital expenditures by segment are as follows:

Radio broadcasting	\$ 3,750	\$ 2,826
Reach Media	269	160
Digital	1,245	1,354
Cable television	639	385
All other - corporate/eliminations	1,695	1,561
Consolidated <sup>(a)</sup>	<u>\$ 7,598</u>	<u>\$ 6,286</u>

(a) Consolidated amount includes \$835,000 related to acquisition of property, plant and equipment that is reflected in the Acquisition of broadcasting assets amount of \$25.0 million in the Consolidated Statements of Cash Flows.

	As of	
	December 31, 2022	December 31, 2021
	(As Restated)	
	(In thousands)	
Total assets:		
Radio broadcasting	\$ 606,199	\$ 623,265
Reach Media	49,164	33,451
Digital	35,888	32,915
Cable television	414,697	367,896
All other - corporate/eliminations	232,539	271,498
Consolidated	<u>\$ 1,338,487</u>	<u>\$ 1,329,025</u>

**17. QUARTERLY FINANCIAL DATA (UNAUDITED AND RESTATED):**

The Company is providing restated quarterly and year-to-date unaudited consolidated financial statements for all quarters in 2021 and for the quarters ended March 31, June 30, and September 30, 2022. See Note 2 - *Restatement of Financial Statements* of our consolidated financial statements for further background concerning the events preceding the restatement of financial information in this Form 10-K.

**Consolidated Balance Sheets**

	As of March 31, 2022 (unaudited)				As of June 30, 2022 (unaudited)				As of September 30, 2022 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
<b>ASSETS</b>												
<b>CURRENT ASSETS:</b>												
Trade accounts receivable, net of allowance for doubtful accounts of \$8,747, \$8,314, and \$7,925, respectively	\$ 113,687	\$ —	\$ 425	\$ 114,112	\$ 123,998	\$ —	\$ 352	\$ 124,350	\$ 127,301	\$ —	\$ 365	\$ 127,666
Other current assets	8,397	—	(1,263)	7,134	8,037	—	(1,263)	6,774	8,939	—	(1,263)	7,676
Total current assets	326,143	—	(838)	325,305	311,061	—	(911)	310,150	287,088	—	(898)	286,190
<b>RIGHT OF USE ASSETS</b>	36,302	—	(101)	36,201	34,149	—	(114)	34,035	34,258	—	(127)	34,131
<b>RADIO BROADCASTING LICENSES</b>	505,148	—	(3,728)	501,420	489,340	—	(1,700)	487,640	498,532	—	(2,700)	495,832
<b>OTHER INTANGIBLE ASSETS, net</b>	63,727	—	(2,163)	61,564	61,508	—	(2,086)	59,422	59,376	—	(2,009)	57,367
<b>DEBT SECURITIES - available-for-sale, at fair value; amortized cost of \$40,000</b>	—	123,000	—	123,000	—	123,100	—	123,100	—	115,600	—	115,600
<b>OTHER ASSETS</b>	44,026	(40,000)	2,259	6,285	44,463	(40,000)	2,195	6,658	44,303	(40,000)	2,131	6,434
Total assets	\$ 1,284,635	\$ 83,000	\$ (4,571)	\$ 1,363,064	\$ 1,254,764	\$ 83,100	\$ (2,616)	\$ 1,335,248	\$ 1,250,696	\$ 75,600	\$ (3,603)	\$ 1,322,693
<b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY</b>												
<b>CURRENT LIABILITIES:</b>												
Accounts payable	\$ 11,997	\$ —	\$ 2,309	\$ 14,306	\$ 14,819	\$ —	\$ 2,115	\$ 16,934	\$ 14,318	\$ —	\$ 1,958	\$ 16,276
Other current liabilities	35,660	—	(1,884)	33,776	31,345	—	(1,763)	29,582	40,217	—	(1,593)	38,624
Total current liabilities	99,737	—	425	100,162	109,645	—	352	109,997	112,634	—	365	112,999
<b>DEFERRED TAX LIABILITIES, net</b>	8,059	19,987	(1,203)	26,843	11,070	20,012	(714)	30,368	13,984	18,259	(959)	31,284
Total liabilities	996,316	19,987	(778)	1,015,525	976,513	20,012	(362)	996,163	964,680	18,259	(594)	982,345
<b>REDEEMABLE NONCONTROLLING INTERESTS</b>	17,755	—	2,472	20,227	18,690	—	1,744	20,434	19,964	—	2,363	22,327
<b>STOCKHOLDERS' EQUITY:</b>												
Accumulated other comprehensive income	—	62,846	—	62,846	—	62,921	—	62,921	—	57,225	—	57,225
Additional paid-in capital	1,020,711	—	(2,472)	1,018,239	994,678	—	(1,744)	992,934	996,954	—	(2,363)	994,591
Accumulated deficit	(750,198)	167	(3,793)	(753,824)	(735,164)	167	(2,254)	(737,251)	(730,951)	116	(3,009)	(733,844)
Total stockholders' equity	270,564	63,013	(6,265)	327,312	259,561	63,088	(3,998)	318,651	266,052	57,341	(5,372)	318,021
Total liabilities, redeemable noncontrolling interests and stockholders' equity	\$ 1,284,635	\$ 83,000	\$ (4,571)	\$ 1,363,064	\$ 1,254,764	\$ 83,100	\$ (2,616)	\$ 1,335,248	\$ 1,250,696	\$ 75,600	\$ (3,603)	\$ 1,322,693

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	As of March 31, 2021 (unaudited)				As of June 30, 2021 (unaudited)				As of September 30, 2021 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
<b>ASSETS</b>												
<b>CURRENT ASSETS:</b>												
Trade accounts receivable, net of allowance for doubtful accounts of \$7,954, \$7,307, and \$7,937, respectively	\$ 94,633	\$ —	\$ 281	\$ 94,914	\$ 103,902	\$ —	\$ 158	\$ 104,060	\$ 114,045	\$ —	\$ 311	\$ 114,356
Other current assets	4,639	—	(1,263)	3,376	4,260	—	(1,263)	2,997	4,423	—	(1,263)	3,160
Total current assets	203,893	—	(982)	202,911	279,735	—	(1,105)	278,630	271,594	—	(952)	270,642
<b>RIGHT OF USE ASSETS</b>	40,421	—	(49)	40,372	42,202	—	(62)	42,140	39,556	—	(75)	39,481
<b>RADIO BROADCASTING LICENSES</b>	484,066	—	(1,624)	482,442	505,148	—	(1,624)	503,524	505,148	—	(1,624)	503,524
<b>OTHER INTANGIBLE ASSETS, net</b>	54,375	—	(2,387)	51,988	53,059	—	(2,315)	50,744	51,821	—	(2,313)	49,508
<b>DEFERRED TAX ASSETS, net</b>	10,051	(10,051)	—	—	3,933	(3,933)	—	—	—	—	—	—
<b>DEBT SECURITIES - available-for-sale, at fair value; amortized cost of \$40,000</b>	—	101,900	—	101,900	—	106,400	—	106,400	—	110,800	—	110,800
<b>OTHER ASSETS</b>	43,092	(40,000)	2,431	5,523	43,211	(40,000)	2,372	5,583	62,958	(40,000)	2,383	25,341
Total assets	\$ 1,168,751	\$ 51,849	\$ (2,611)	\$ 1,217,989	\$ 1,239,542	\$ 62,467	\$ (2,734)	\$ 1,299,275	\$ 1,237,537	\$ 70,800	\$ (2,581)	\$ 1,305,756
<b>LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY</b>												
<b>CURRENT LIABILITIES:</b>												
Accounts payable	\$ 9,037	\$ —	\$ 2,128	\$ 11,165	\$ 12,523	\$ —	\$ 2,067	\$ 14,590	\$ 14,623	\$ —	\$ 2,033	\$ 16,656
Other current liabilities	25,022	—	(1,847)	23,175	24,137	—	(1,909)	22,228	29,334	—	(1,722)	27,612
Total current liabilities	77,973	—	281	78,254	99,157	—	158	99,315	87,985	—	311	88,296
<b>DEFERRED TAX LIABILITIES, net</b>	—	5,002	(703)	4,299	—	12,493	(715)	11,778	2,325	17,505	(715)	19,115
Total liabilities	957,185	5,002	(422)	961,765	987,887	12,493	(557)	999,823	972,367	17,505	(404)	989,468
<b>REDEEMABLE NONCONTROLLING INTERESTS</b>	12,735	—	1,789	14,524	15,192	—	2,457	17,649	17,017	—	2,311	19,328
<b>STOCKHOLDERS' EQUITY:</b>												
Accumulated other comprehensive income	—	46,847	—	46,847	—	50,239	—	50,239	—	53,551	—	53,551
Additional paid-in capital	1,003,694	—	(1,789)	1,001,905	1,023,458	—	(2,457)	1,021,001	1,021,272	—	(2,311)	1,018,961
Accumulated deficit	(804,912)	—	(2,189)	(807,101)	(787,046)	(265)	(2,177)	(789,488)	(773,170)	(256)	(2,177)	(775,603)
Total stockholders' equity	198,831	46,847	(3,978)	241,700	236,463	49,974	(4,634)	281,803	248,153	53,295	(4,488)	296,960
Total liabilities, redeemable noncontrolling interests and stockholders' equity	\$ 1,168,751	\$ 51,849	\$ (2,611)	\$ 1,217,989	\$ 1,239,542	\$ 62,467	\$ (2,734)	\$ 1,299,275	\$ 1,237,537	\$ 70,800	\$ (2,581)	\$ 1,305,756

**Quarterly Consolidated Statements of Operations**

	Three Months Ended March 31, 2022 (unaudited)				Three Months Ended June 30, 2022 (unaudited)				Three Months Ended September 30, 2022 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
<b>NET REVENUE</b>	\$ 112,349	\$ —	\$ (218)	\$ 112,131	\$ 118,810	\$ —	\$ (153)	\$ 118,657	\$ 121,403	\$ —	\$ (153)	\$ 121,250
<b>OPERATING EXPENSES:</b>												
Selling, general and administrative, including stock-based compensation of \$0, \$0, and \$5, respectively	35,428	—	(218)	35,210	35,346	—	(153)	35,193	41,076	—	(153)	40,923
Impairment of long-lived assets	—	—	—	—	16,933	—	(2,028)	14,905	14,450	—	1,000	15,450
Total operating expenses	75,811	—	(218)	75,593	94,975	—	(2,181)	92,794	102,429	—	847	103,276
Operating income (loss)	36,538	—	—	36,538	23,835	—	2,028	25,863	18,974	—	(1,000)	17,974
Income (loss) before provision for (benefit from) income taxes and noncontrolling interests in income of subsidiaries	22,656	—	—	22,656	19,529	—	2,028	21,557	7,937	—	(1,000)	6,937
<b>PROVISION FOR (BENEFIT FROM) INCOME TAXES</b>	5,586	(134)	10	5,462	3,725	—	489	4,214	3,364	51	(245)	3,170
<b>NET INCOME (LOSS)</b>	17,070	134	(10)	17,194	15,804	—	1,539	17,343	4,573	(51)	(755)	3,767
<b>NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 16,369	\$ 134	\$ (10)	\$ 16,493	\$ 15,034	\$ —	\$ 1,539	\$ 16,573	\$ 4,213	\$ (51)	\$ (755)	\$ 3,407
<b>BASIC NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>												
Net income (loss) attributable to common stockholders	\$ 0.32	\$ —	\$ —	\$ 0.32	\$ 0.30	\$ —	\$ 0.03	\$ 0.33	\$ 0.09	\$ —	\$ (0.02)	\$ 0.07
<b>DILUTED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>												
Net income (loss) attributable to common stockholders	\$ 0.30	\$ —	\$ —	\$ 0.30	\$ 0.28	\$ —	\$ 0.03	\$ 0.31	\$ 0.08	\$ —	\$ (0.02)	\$ 0.06

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	Three Months Ended March 31, 2021 (unaudited)				Three Months Ended June 30, 2021 (unaudited)				Three Months Ended September 30, 2021 (unaudited)				Three Months Ended December 31, 2021 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
<b>NET REVENUE</b>	\$ 91,440	\$ —	\$ (229)	\$ 91,211	\$ 107,593	\$ —	\$ (228)	\$ 107,365	\$ 111,463	\$ —	\$ (229)	\$ 111,234	\$ 130,966	\$ —	\$ (491)	\$ 130,475
<b>OPERATING EXPENSES:</b>																
Selling, general and administrative, including stock-based compensation of \$31, \$0, \$0, and \$0, respectively	29,987	—	(229)	29,758	31,510	—	(228)	31,282	33,102	—	(229)	32,873	48,588	—	(491)	48,097
Impairment of long-lived assets	—	—	—	—	—	—	—	—	—	—	—	—	—	—	2,104	2,104
Total operating expenses	67,683	—	(229)	67,454	69,673	—	(228)	69,445	76,988	—	(229)	76,759	108,575	—	1,613	110,188
Operating income (loss)	23,757	—	—	23,757	37,920	—	—	37,920	34,475	—	—	34,475	22,391	—	(2,104)	20,287
Income (loss) before provision for (benefit from) income taxes and noncontrolling interests in income of subsidiaries	451	—	—	451	24,597	—	—	24,597	20,712	—	—	20,712	8,484	—	(2,104)	6,380
<b>PROVISION FOR (BENEFIT FROM) INCOME TAXES</b>	(10)	—	—	(10)	6,119	265	(12)	6,372	6,257	(9)	—	6,248	1,211	(289)	(498)	424
<b>NET INCOME (LOSS)</b>	461	—	—	461	18,478	(265)	12	18,225	14,455	9	—	14,464	7,273	289	(1,606)	5,956
<b>NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 7	\$ —	\$ —	\$ 7	\$ 17,866	\$ (265)	\$ 12	\$ 17,613	\$ 13,876	\$ 9	\$ —	\$ 13,885	\$ 6,603	\$ 289	\$ (1,606)	\$ 5,288
<b>BASIC NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 0.00	\$ —	\$ —	\$ 0.00	\$ 0.36	\$ (0.01)	\$ —	\$ 0.35	\$ 0.27	\$ —	\$ —	\$ 0.27	\$ 0.13	\$ 0.01	\$ (0.03)	\$ 0.11
<b>DILUTED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 0.00	\$ —	\$ —	\$ 0.00	\$ 0.33	\$ —	\$ —	\$ 0.33	\$ 0.25	\$ —	\$ —	\$ 0.25	\$ 0.12	\$ 0.01	\$ (0.03)	\$ 0.10

**Year to Date Consolidated Statements of Operations**

	Six Months Ended June 30, 2022 (unaudited)				Nine Months Ended September 30, 2022 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
<b>NET REVENUE</b>	\$ 231,159	\$ —	\$ (371)	\$ 230,788	\$ 352,562	\$ —	\$ (524)	\$ 352,038
<b>OPERATING EXPENSES:</b>								
Selling, general and administrative, including stock-based compensation of \$0 and \$5, respectively	70,774	—	(371)	70,403	111,850	—	(524)	111,326
Impairment of long-lived assets	16,933	—	(2,028)	14,905	31,383	—	(1,028)	30,355
Total operating expenses	170,786	—	(2,399)	168,387	273,215	—	(1,552)	271,663
Operating income	60,373	—	2,028	62,401	79,347	—	1,028	80,375
Income (loss) before provision for (benefit from) income taxes and noncontrolling interests in income of subsidiaries	42,185	—	2,028	44,213	50,122	—	1,028	51,150
PROVISION FOR (BENEFIT FROM) INCOME TAXES	9,311	(134)	499	9,676	12,675	(83)	254	12,846
<b>NET INCOME</b>	32,874	134	1,529	34,537	37,447	83	774	38,304
<b>NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 31,403	\$ 134	\$ 1,529	\$ 33,066	\$ 35,616	\$ 83	\$ 774	\$ 36,473
<b>BASIC NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>								
Net income (loss) attributable to common stockholders	\$ 0.62	\$ —	\$ 0.03	\$ 0.65	\$ 0.72	\$ —	\$ 0.02	\$ 0.74
<b>DILUTED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>								
Net income (loss) attributable to common stockholders	\$ 0.57	\$ —	\$ 0.03	\$ 0.60	\$ 0.67	\$ —	\$ 0.01	\$ 0.68

	Six Months Ended June 30, 2021 (unaudited)				Nine Months Ended September 30, 2021 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
<b>NET REVENUE</b>	\$ 199,033	\$ —	\$ (457)	\$ 198,576	\$ 310,496	\$ —	\$ (686)	\$ 309,810
<b>OPERATING EXPENSES:</b>								
Selling, general and administrative, including stock-based compensation of \$31 and \$31, respectively	61,497	—	(457)	61,040	94,599	—	(686)	93,913
Total operating expenses	137,356	—	(457)	136,899	214,344	—	(686)	213,658
PROVISION FOR (BENEFIT FROM) INCOME TAXES	6,109	265	(12)	6,362	12,366	256	(12)	12,610
<b>NET INCOME (LOSS)</b>	18,939	(265)	12	18,686	33,394	(256)	12	33,150
<b>NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 17,873	\$ (265)	\$ 12	\$ 17,620	\$ 31,749	\$ (256)	\$ 12	\$ 31,505
<b>BASIC NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>								
Net income (loss) attributable to common stockholders	\$ 0.36	\$ (0.01)	\$ —	\$ 0.35	\$ 0.64	\$ (0.01)	\$ —	\$ 0.63

**Quarterly Consolidated Statements of Comprehensive Income**

	Three Months Ended March 31, 2022 (unaudited)				Three Months Ended June 30, 2022 (unaudited)				Three Months Ended September 30, 2022 (unaudited)			
	As Previously Reported		Other		As Previously Reported		Other		As Previously Reported		Other	
	Reported	Adjustments	Adjustments	As Restated	Reported	Adjustments	Adjustments	As Restated	Reported	Adjustments	Adjustments	As Restated
<b>OTHER COMPREHENSIVE INCOME (LOSS), BEFORE TAX:</b>												
Unrealized gain (loss) on available-for-sale securities	\$ —	\$ 10,400	\$ —	\$ 10,400	\$ —	\$ 100	\$ —	\$ 100	\$ —	\$ (7,500)	\$ —	\$ (7,500)
Income tax (expense) benefit related to unrealized gain (loss) on available-for-sale securities	—	(2,504)	—	(2,504)	—	(25)	—	(25)	—	1,804	—	1,804
<b>OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX</b>	—	7,896	—	7,896	—	75	—	75	—	(5,696)	—	(5,696)
<b>COMPREHENSIVE INCOME (LOSS)</b>	\$ 17,070	\$ 8,030	\$ (10)	\$ 25,090	\$ 15,804	\$ 75	\$ 1,539	\$ 17,418	\$ 4,573	\$ (5,747)	\$ (755)	\$ (1,929)
<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>												
Net income (loss) attributable to common stockholders	\$ 16,369	\$ 8,030	\$ (10)	\$ 24,389	\$ 15,034	\$ 75	\$ 1,539	\$ 16,648	\$ 4,213	\$ (5,747)	\$ (755)	\$ (2,289)

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	Three Months Ended March 31, 2021 (unaudited)			Three Months Ended June 30, 2021 (unaudited)			Three Months Ended September 30, 2021 (unaudited)			Three Months Ended December 31, 2021 (unaudited)						
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated				
<b>OTHER COMPREHENSIVE INCOME (LOSS), BEFORE TAX:</b>																
Unrealized gain (loss) on available-for-sale securities	\$ —	\$ (1,200)	\$ —	\$ (1,200)	\$ —	\$ 4,500	\$ —	\$ 4,500	\$ —	\$ 4,400	\$ —	\$ 4,400	\$ —	\$ 1,800	\$ —	\$ 1,800
Income tax (expense) benefit related to unrealized gain (loss) on available-for-sale securities	—	292	—	292	—	(1,108)	—	(1,108)	—	(1,088)	—	(1,088)	—	(401)	—	(401)
<b>OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX</b>	—	(908)	—	(908)	—	3,392	—	3,392	—	3,312	—	3,312	—	1,399	—	1,399
<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 461	(908)	—	(447)	\$ 18,478	\$ 3,127	\$ 12	\$ 21,617	\$ 14,455	\$ 3,321	\$ —	\$ 17,776	\$ 7,273	\$ 1,688	\$ (1,606)	\$ 7,355
	\$ 7	(908)	\$ —	(901)	\$ 17,866	\$ 3,127	\$ 12	\$ 21,005	\$ 13,876	\$ 3,321	\$ —	\$ 17,197	\$ 6,603	\$ 1,688	\$ (1,606)	\$ 6,685

**Year to Date Consolidated Statements of Comprehensive Income**

	Six Months Ended June 30, 2022 (unaudited)				Nine Months Ended September 30, 2022 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
<b>OTHER COMPREHENSIVE INCOME, BEFORE TAX:</b>								
Unrealized gain on available-for-sale securities	\$ —	\$ 10,500	\$ —	\$ 10,500	\$ —	\$ 3,000	\$ —	\$ 3,000
Income tax expense related to unrealized gain on available-for-sale securities	—	(2,529)	—	(2,529)	—	(725)	—	(725)
<b>OTHER COMPREHENSIVE INCOME, NET OF TAX</b>	—	7,971	—	7,971	—	2,275	—	2,275
<b>COMPREHENSIVE INCOME</b>	\$ 32,874	\$ 8,105	\$ 1,529	\$ 42,508	\$ 37,447	\$ 2,358	\$ 774	\$ 40,579
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 31,403	\$ 8,105	\$ 1,529	\$ 41,037	\$ 35,616	\$ 2,358	\$ 774	\$ 38,748

	Six Months Ended June 30, 2021 (unaudited)				Nine Months Ended September 30, 2021 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
<b>OTHER COMPREHENSIVE INCOME, BEFORE TAX:</b>								
Unrealized gain on available-for-sale securities	\$ —	\$ 3,300	\$ —	\$ 3,300	\$ —	\$ 7,700	\$ —	\$ 7,700
Income tax expense related to unrealized gain on available-for-sale securities	—	(816)	—	(816)	—	(1,904)	—	(1,904)
<b>OTHER COMPREHENSIVE INCOME, NET OF TAX</b>	—	2,484	—	2,484	—	5,796	—	5,796
<b>COMPREHENSIVE INCOME</b>	\$ 18,939	\$ 2,219	\$ 12	\$ 21,170	\$ 33,394	\$ 5,540	\$ 12	\$ 38,946
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ 17,873	\$ 2,219	\$ 12	\$ 20,104	\$ 31,749	\$ 5,540	\$ 12	\$ 37,301

**Consolidated Statements of Changes in Stockholders' Equity**

	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-in Capital	Accumulated Deficit	Total Equity
<b>For the three months ended March 31, 2022</b>									
(In thousands, except share data)									
<b>As Previously Reported</b>									
BALANCE, as of December 31, 2021	\$ —	\$ 9	\$ 3	\$ 2	\$ 37	\$ —	\$ 1,020,636	\$ (766,567)	\$ 254,120
Net income	—	—	—	—	—	—	—	16,369	16,369
Stock-based compensation expense	—	—	—	—	—	—	124	—	124
Repurchase of 2,649 shares of Class D common stock	—	—	—	—	—	—	(10)	—	(10)
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(39)	—	(39)
<b>BALANCE, as of March 31, 2022</b>	<b>\$ —</b>	<b>\$ 9</b>	<b>\$ 3</b>	<b>\$ 2</b>	<b>\$ 37</b>	<b>\$ —</b>	<b>\$ 1,020,711</b>	<b>\$ (750,198)</b>	<b>\$ 270,564</b>
<b>Adjustments and Other Adjustments</b>									
BALANCE, as of December 31, 2021	—	—	—	—	—	54,950	(1,640)	(3,750)	49,560
Net income	—	—	—	—	—	—	—	124	124
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(832)	—	(832)
Other comprehensive income, net of tax	—	—	—	—	—	7,896	—	—	7,896
<b>Total Adjustments March 31, 2022</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 62,846</b>	<b>\$ (2,472)</b>	<b>\$ (3,626)</b>	<b>\$ 56,748</b>
<b>As Restated</b>									
BALANCE, as of December 31, 2021 (Restated)	—	9	3	2	37	54,950	1,018,996	(770,317)	303,680
Net income	—	—	—	—	—	—	—	16,493	16,493
Stock-based compensation expense	—	—	—	—	—	—	124	—	124
Repurchase of 2,649 shares of Class D common stock	—	—	—	—	—	—	(10)	—	(10)
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(871)	—	(871)
Other comprehensive income, net of tax	—	—	—	—	—	7,896	—	—	7,896
<b>BALANCE, as of March 31, 2022 (Restated)</b>	<b>\$ —</b>	<b>\$ 9</b>	<b>\$ 3</b>	<b>\$ 2</b>	<b>\$ 37</b>	<b>\$ 62,846</b>	<b>\$ 1,018,239</b>	<b>\$ (753,824)</b>	<b>\$ 327,312</b>



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	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Equity
<b>For the six months ended June 30, 2022</b>									
<b>As Previously Reported</b>									
(In thousands, except share data)									
BALANCE, as of December 31, 2021	\$ —	\$ 9	\$ 3	\$ 2	\$ 37	\$ —	\$ 1,020,636	\$ (766,567)	\$ 254,120
Net income	—	—	—	—	—	—	—	31,403	31,403
Stock-based compensation expense	—	—	—	—	—	—	460	—	460
Repurchase of 4,684,419 shares of Class D common stock	—	—	—	—	(4)	—	(24,665)	—	(24,669)
Exercise of options for 60,240 shares of Class D common stock	—	—	—	—	—	—	50	—	50
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(1,803)	—	(1,803)
BALANCE, as of June 30, 2022	<u>\$ —</u>	<u>\$ 9</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 33</u>	<u>\$ —</u>	<u>\$ 994,678</u>	<u>\$ (735,164)</u>	<u>\$ 259,561</u>
<b>Adjustments and Other Adjustments</b>									
BALANCE, as of December 31, 2021	—	—	—	—	—	54,950	(1,640)	(3,750)	49,560
Net income	—	—	—	—	—	—	—	1,663	1,663
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(104)	—	(104)
Other comprehensive income, net of tax	—	—	—	—	—	7,971	—	—	7,971
Total Adjustments June 30, 2022	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 62,921</u>	<u>\$ (1,744)</u>	<u>\$ (2,087)</u>	<u>\$ 59,090</u>
<b>As Restated</b>									
BALANCE, as of December 31, 2021 (Restated)	—	9	3	2	37	54,950	1,018,996	(770,317)	303,680
Net income	—	—	—	—	—	—	—	33,066	33,066
Stock-based compensation expense	—	—	—	—	—	—	460	—	460
Repurchase of 4,684,419 shares of Class D common stock	—	—	—	—	(4)	—	(24,665)	—	(24,669)
Exercise of options for 60,240 shares of Class D common stock	—	—	—	—	—	—	50	—	50
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(1,907)	—	(1,907)
Other comprehensive income, net of tax	—	—	—	—	—	7,971	—	—	7,971
BALANCE, as of June 30, 2022 (Restated)	<u>\$ —</u>	<u>\$ 9</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 33</u>	<u>\$ 62,921</u>	<u>\$ 992,934</u>	<u>\$ (737,251)</u>	<u>\$ 318,651</u>

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	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Equity
<b>For the nine months ended September 30, 2022</b>									
(In thousands, except share data)									
BALANCE, as of December 31, 2021	\$ —	\$ 9	\$ 3	\$ 2	\$ 37	\$ —	\$ 1,020,636	\$ (766,567)	\$ 254,120
Net income	—	—	—	—	—	—	—	35,616	35,616
Stock-based compensation expense	—	1	—	—	1	—	5,467	—	5,469
Repurchase of 4,684,419 shares of Class D common stock	—	—	—	—	(4)	—	(26,482)	—	(26,486)
Exercise of options for 60,240 shares of Class D common stock	—	—	—	—	—	—	50	—	50
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(2,717)	—	(2,717)
BALANCE, as of September 31, 2022	\$ —	\$ 10	\$ 3	\$ 2	\$ 34	\$ —	\$ 996,954	\$ (730,951)	\$ 266,052
<b>Adjustments and Other Adjustments</b>									
BALANCE, as of December 31, 2021	—	—	—	—	—	54,950	(1,640)	(3,750)	49,560
Net income	—	—	—	—	—	—	—	857	857
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(723)	—	(723)
Other comprehensive income, net of tax	—	—	—	—	—	2,275	—	—	2,275
Total Adjustments September 31, 2022	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 57,225	\$ (2,363)	\$ (2,893)	\$ 51,969
<b>As Restated</b>									
BALANCE, as of December 31, 2021 (Restated)	—	9	3	2	37	54,950	1,018,996	(770,317)	303,680
Net income	—	—	—	—	—	—	—	36,473	36,473
Stock-based compensation expense	—	1	—	—	1	—	5,467	—	5,469
Repurchase of 4,684,419 shares of Class D common stock	—	—	—	—	(4)	—	(26,482)	—	(26,486)
Exercise of options for 60,240 shares of Class D common stock	—	—	—	—	—	—	50	—	50
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(3,440)	—	(3,440)
Other comprehensive income, net of tax	—	—	—	—	—	2,275	—	—	2,275
BALANCE, as of September 31, 2022 (Restated)	\$ —	\$ 10	\$ 3	\$ 2	\$ 34	\$ 57,225	\$ 994,591	\$ (733,844)	\$ 318,021

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	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Equity
<b>For the three months ended March 31, 2021</b>									
<b>As Previously Reported</b>									
BALANCE, as of December 31, 2020	\$ —	\$ 4	\$ 3	\$ 3	\$ 38	\$ —	\$ 991,769	\$ (804,919)	\$ 186,898
Net income	—	—	—	—	—	—	—	7	7
Repurchase of 495,296 shares of Class D common stock	—	—	—	—	(1)	—	(871)	—	(872)
Issuance of 1,886,265 shares of Class A common stock	—	2	—	—	—	—	12,123	—	12,125
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	420	—	420
Stock-based compensation expense	—	—	—	—	—	—	253	—	253
BALANCE, as of March 31, 2021	\$ —	\$ 6	\$ 3	\$ 3	\$ 37	\$ —	\$ 1,003,694	\$ (804,912)	\$ 198,831
<b>Adjustments and Other Adjustments</b>									
BALANCE, as of December 31, 2020	—	—	—	—	—	47,755	(1,241)	(2,189)	44,325
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(548)	—	(548)
Other comprehensive loss, net of tax	—	—	—	—	—	(908)	—	—	(908)
Total Adjustments March 31, 2021	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 46,847	\$ (1,789)	\$ (2,189)	\$ 42,869
<b>As Restated</b>									
BALANCE, as of December 31, 2020 (Restated)	—	4	3	3	38	47,755	990,528	(807,108)	231,223
Net income	—	—	—	—	—	—	—	7	7
Repurchase of 495,296 shares of Class D common stock	—	—	—	—	(1)	—	(871)	—	(872)
Issuance of 1,886,265 shares of Class A common stock	—	2	—	—	—	—	12,123	—	12,125
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(128)	—	(128)
Stock-based compensation expense	—	—	—	—	—	—	253	—	253
Other comprehensive loss, net of tax	—	—	—	—	—	(908)	—	—	(908)
BALANCE, as of March 31, 2021 (Restated)	\$ —	\$ 6	\$ 3	\$ 3	\$ 37	\$ 46,847	\$ 1,001,905	\$ (807,101)	\$ 241,700

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	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Equity
<b>For the six months ended June 30, 2021</b>									
<b>As Previously Reported</b>									
(In thousands, except share data)									
BALANCE, as of December 31, 2020	\$ —	\$ 4	\$ 3	\$ 3	\$ 38	\$ —	\$ 991,769	\$ (804,919)	\$ 186,898
Net income	—	—	—	—	—	—	—	17,873	17,873
Repurchase of 509,347 shares of Class D common stock	—	—	—	—	(1)	—	(904)	—	(905)
Issuance of 3,779,391 shares of Class A common stock	—	4	—	—	—	—	33,278	—	33,282
Exercise of options for 197,256 shares of Class D common stock	—	—	—	—	—	—	315	—	315
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(1,425)	—	(1,425)
Stock-based compensation expense	—	—	—	—	—	—	425	—	425
BALANCE, as of June 30, 2021	\$ —	\$ 8	\$ 3	\$ 3	\$ 37	\$ —	\$ 1,023,458	\$ (787,046)	\$ 236,463
<b>Adjustments and Other Adjustments</b>									
BALANCE, as of December 31, 2020	—	—	—	—	—	47,755	(1,241)	(2,189)	44,325
Net income	—	—	—	—	—	—	—	(253)	(253)
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(1,216)	—	(1,216)
Other comprehensive income, net of tax	—	—	—	—	—	2,484	—	—	2,484
Total Adjustments June 30, 2021	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 50,239	\$ (2,457)	\$ (2,442)	\$ 45,340
<b>As Restated</b>									
BALANCE, as of December 31, 2020 (Restated)	—	4	3	3	38	47,755	990,528	(807,108)	231,223
Net income	—	—	—	—	—	—	—	17,620	17,620
Repurchase of 509,347 shares of Class D common stock	—	—	—	—	(1)	—	(904)	—	(905)
Issuance of 3,779,391 shares of Class A common stock	—	4	—	—	—	—	33,278	—	33,282
Exercise of options for 197,256 shares of Class D common stock	—	—	—	—	—	—	315	—	315
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(2,641)	—	(2,641)
Stock-based compensation expense	—	—	—	—	—	—	425	—	425
Other comprehensive income, net of tax	—	—	—	—	—	2,484	—	—	2,484
BALANCE, as of June 30, 2021 (Restated)	\$ —	\$ 8	\$ 3	\$ 3	\$ 37	\$ 50,239	\$ 1,021,001	\$ (789,488)	\$ 281,803

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	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Accumulated Other Comprehensive Income	Additional Paid-In Capital	Accumulated Deficit	Total Equity
<b>For the nine months ended September 30, 2021</b>									
<b>As Previously Reported</b>									
(In thousands, except share data)									
BALANCE, as of December 31, 2020	\$ —	\$ 4	\$ 3	\$ 3	\$ 38	\$ —	\$ 991,769	\$ (804,919)	\$ 186,898
Net income	—	—	—	—	—	—	—	31,749	31,749
Repurchase of 519,347 shares of Class D common stock	—	—	—	—	(1)	—	(943)	—	(944)
Issuance of 3,779,391 shares of Class A common stock	—	4	—	—	—	—	33,273	—	33,277
Exercise of options for 219,756 shares of Class D common stock	—	—	—	—	—	—	366	—	366
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(3,671)	—	(3,671)
Stock-based compensation expense	—	—	—	—	—	—	478	—	478
BALANCE, as of September 30, 2021	\$ —	\$ 8	\$ 3	\$ 3	\$ 37	\$ —	\$ 1,021,272	\$ (773,170)	\$ 248,153
<b>Adjustments and Other Adjustments</b>									
BALANCE, as of December 31, 2020	—	—	—	—	—	47,755	(1,241)	(2,189)	44,325
Net income	—	—	—	—	—	—	—	(244)	(244)
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(1,070)	—	(1,070)
Other comprehensive income, net of tax	—	—	—	—	—	5,796	—	—	5,796
Total Adjustments September 30, 2021	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 53,551	\$ (2,311)	\$ (2,433)	\$ 48,807
<b>As Restated</b>									
BALANCE, as of December 31, 2020 (Restated)	—	4	3	3	38	47,755	990,528	(807,108)	231,223
Net income	—	—	—	—	—	—	—	31,505	31,505
Repurchase of 519,347 shares of Class D common stock	—	—	—	—	(1)	—	(943)	—	(944)
Issuance of 3,779,391 shares of Class A common stock	—	4	—	—	—	—	33,273	—	33,277
Exercise of options for 219,756 shares of Class D common stock	—	—	—	—	—	—	366	—	366
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	—	(4,741)	—	(4,741)
Stock-based compensation expense	—	—	—	—	—	—	478	—	478
Other comprehensive income, net of tax	—	—	—	—	—	5,796	—	—	5,796
BALANCE, as of September 30, 2021 (Restated)	\$ —	\$ 8	\$ 3	\$ 3	\$ 37	\$ 53,551	\$ 1,018,961	\$ (775,603)	\$ 296,960

**Consolidated Statements of Cash Flows**

	Three Months Ended March 31, 2022 (unaudited)				Six Months Ended June 30, 2022 (unaudited)				Nine Months Ended September 31, 2022 (unaudited)			
	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated	As Previously Reported	Adjustments	Other Adjustments	As Restated
(In thousands)												
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>												
Net income	\$ 17,070	\$ 134	\$ (10)	\$ 17,194	\$ 32,874	\$ 134	\$ 1,529	\$ 34,537	\$ 37,447	\$ 83	\$ 774	\$ 38,304
Adjustments to reconcile net income to net cash from operating activities:												
Deferred income taxes	5,586	(134)	10	5,462	8,597	(134)	499	8,962	11,511	(83)	254	11,682
Non-cash lease liability expense	1,043	—	(1,043)	—	2,038	—	(2,038)	—	2,994	—	(2,994)	—
Impairment of goodwill and broadcasting licenses	—	—	—	—	16,933	—	(2,028)	14,905	31,383	—	(1,028)	30,355
Effect of change in operating assets and liabilities, net of assets acquired:												
Trade accounts receivable	13,448	—	(112)	13,336	3,483	—	(39)	3,444	208	—	(52)	156
Accounts payable	(2,591)	—	5	(2,586)	231	—	(189)	42	(270)	—	(346)	(616)
Other liabilities	(4,641)	—	1,150	(3,491)	(7,283)	—	2,266	(5,017)	(75)	—	3,392	3,317
Net cash flows provided by operating activities	15,734	—	—	15,734	43,624	—	—	43,624	54,067	—	—	54,067
<b>NON-CASH OPERATING, FINANCING AND INVESTING ACTIVITIES:</b>												
Adjustment of redeemable noncontrolling interests to estimated redemption value	\$ 39	\$ —	\$ 832	\$ 871	\$ 1,803	\$ —	\$ 104	\$ 1,907	\$ 2,717	\$ —	\$ 723	\$ 3,440

	Three Months Ended March 31, 2021 (unaudited)			Six Months Ended June 30, 2021 (unaudited)			Nine Months Ended September 31, 2021 (unaudited)		
	As	Other	As	As	Other	As	As	Other	As
	Previously Reported	Adjustments	Restated	Previously Reported	Adjustments	Restated	Previously Reported	Adjustments	Restated
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>									
Net income (loss)	\$ 461	\$ —	\$ 461	\$ 18,939	\$ (265)	\$ 18,686	\$ 33,394	\$ (256)	\$ 33,150
Adjustments to reconcile net income (loss) to net cash from operating activities:									
Deferred income taxes	(10)	—	(10)	6,108	265	(12)	6,361	12,366	256
Non-cash lease liability expense	1,154	—	(1,154)	2,066	—	(2,066)	—	3,299	—
Effect of change in operating assets and liabilities, net of assets acquired:									
Trade accounts receivable	11,380	—	(41)	11,339	2,260	—	82	2,342	(8,574)
Accounts payable	(2,098)	—	(23)	(2,121)	1,388	—	(84)	1,304	3,488
Other liabilities	(2,050)	—	1,218	(832)	235	—	2,068	2,303	1,975
Net cash flows provided by operating activities	14,293	—	14,293	51,492	—	51,492	36,264	—	36,264
<b>NON-CASH OPERATING, FINANCING AND INVESTING ACTIVITIES:</b>									
Adjustment of redeemable noncontrolling interests to estimated redemption value	\$ (420)	\$ —	\$ 548	\$ 128	\$ 1,425	\$ —	\$ 1,216	\$ 2,641	\$ 3,671
								\$ —	\$ 1,070
									\$ 4,741

## 18. SUBSEQUENT EVENTS:

Since January 1, 2023, and through the date of this filing, the Company repurchased 824 shares of Class D common stock in the amount of \$3,000 at an average price of \$3.99 per share.

Since January 1, 2023, and through the date of this filing, the Company executed Stock Vest Tax Repurchases of 249,550 shares of Class D common stock for approximately \$1.3 million at an average price of \$5.17 per share.

Since January 1, 2023, and through the date of this filing, the Company repurchased approximately \$25.0 million of its 2028 Notes at an average price of approximately 89.1% of par.

Since January 1, 2023, and through the date of this filing, the Compensation Committee awarded certain executive officers and management personnel 727,215 restricted shares of the Company's Class D common stock, and stock options to purchase 429,427 shares of the Company's Class D common stock. Of these awards, 672,603 restricted shares of the Company's Class D common stock and stock options to purchase 405,139 shares of the Company's Class D common stock immediately vested upon grant. In connection with the vesting of these awards, the Company withheld a total of 220,912 shares to settle the recipients' tax obligations.

On March 8, 2023, ROEH issued a Put Notice with respect to its Put Interest in MGMNH. Upon issuance of the Put Notice, no later than thirty (30) days following receipt, MGMNH is required to repurchase the Put Interest for cash. On April 21, 2023, ROEH closed on the sale of the Put Interest. The Company received approximately \$136.8 million at the time of settlement of the Put Interest, representing the put price. During the quarter ended March 31, 2023, the Company received \$8.8 million representing the Company's annual distribution from MGMNH with respect to fiscal year 2022.

On April 30, 2023, the Company entered into a waiver and amendment (the "Waiver and Amendment") to the Current ABL Facility, dated as of February 19, 2021 (as amended by the Waiver and Amendment, the "Amended Current ABL Facility"), with the Company, the Company's subsidiaries guarantors, Bank of America, N.A., as administrative agent (the "Administrative Agent") and the lenders party thereto. The Waiver and Amendment waived certain events of default under the Current ABL Facility related to the Company's failure to timely deliver the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022 as required under the Current ABL Facility (the "Specified Defaults").

Additionally, under the Waiver and Amendment, the Current ABL Facility was amended to provide that from and after the date thereof, any request for a new LIBOR Loan (as defined in the Current ABL Facility), for a continuation of an existing LIBOR Loan (as defined in the Current ABL Facility) or for a conversion of a Loan to a LIBOR Loan (as defined in the Current ABL Facility) shall be deemed to be a request for a loan bearing interest at Term SOFR (as defined in the Amended Current ABL Facility) (the "SOFR Interest Rate Change"). As the Company was undrawn under the Current ABL Facility as of the date of the Waiver and Amendment, the SOFR Interest Rate Change would only bear upon future borrowings by the Company such that they bear an interest rate relating to the secured overnight financing rate. These provisions of the Waiver and Amendment are intended to transition loans under the Current ABL Facility to the new secured overnight financing rate as the benchmark rate.

On June 5, 2023, the Company entered into a second waiver and amendment (the "Second Waiver and Amendment") to the Amended Current ABL Facility. The Second Waiver and Amendment waived certain events of default under the Current ABL Facility related to the Company's failure to timely deliver both the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022 and Quarterly Financial Deliverables for the Quarter ended March 31, 2023 as required under the Current ABL Facility.

On April 11, 2023, the Company announced it has signed a definitive asset purchase agreement with Cox Media Group ("CMG") to purchase its Houston radio cluster. Under the terms of the agreement, Urban One will acquire 93Q Country KKBQ-FM, classic rock station The Eagle 106.9 & 107.5 KHPT-FM and KGLK-FM, and Country Legends 97.1 KTHT-FM. In furtherance of the transaction, Urban One will divest stations to comply with FCC ownership regulations. The acquisition and disposition transactions are subject to FCC approval and other customary closing conditions and is anticipated to close in the third quarter of 2023. CMG and Urban One will continue to operate their respective stations until the transactions close.

On April 3, 2023, the Company received a notice from the Listing Qualifications Department of the Nasdaq Stock Market LLC (“Nasdaq”) notifying the Company that it was not in compliance with requirements of Nasdaq Listing Rule 5250(c)(1) as a result of not having timely filed its Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (the “2022 Form 10-K”), with the Securities and Exchange Commission (“SEC”). On May 19, 2023, the Company received a second letter notifying (the “Second Nasdaq Letter”) it that it was not in compliance with requirements of the Rule as a result of not having timely filed its 2022 Form 10-K and its Quarterly Report on Form 10-Q for the period ended March 31, 2023 (the “Q1 2023 Form 10-Q” and, together with the 2022 Form 10-K, the “Delinquent Reports”), with the SEC.

In accordance with the Second Nasdaq Letter, the Company had until June 2, 2023, to submit a plan to file both Delinquent Reports or to submit a plan to regain compliance with respect to these Delinquent Reports. The Company submitted its plan to regain compliance with respect to these Delinquent Reports on May 26, 2023, and on June 5, 2023, the Company received a letter from Nasdaq granting an exception to enable the Company to regain compliance with the Rule. Under the terms of the exception, on or before September 27, 2023, the Company must file its Form 10-K and Form 10-Q for the period ended December 31, 2022, and March 31, 2023, as required by the Rule.

On June 13, 2023, Urban One, Inc.’s 50/50 partnership with Churchill Downs Incorporated, RVA Entertainment Holdings, LLC, entered into a Resort Casino Host Community Agreement with the City of Richmond, Virginia (the “City”), to be the City’s preferred casino gaming operator subject to certification by the Virginia Lottery Department and a local referendum.



**FIRST AMENDMENT AND WAIVER**

This FIRST AMENDMENT AND WAIVER (this "Amendment"), dated as of April 30, 2023, is among URBAN ONE, INC., a Delaware corporation (the "Administrative Borrower"), the other Borrowers and Subsidiary Guarantors party hereto, the Lenders party hereto (constituting the Required Lenders), and BANK OF AMERICA, N.A., as Administrative Agent.

**WHEREAS**, reference is hereby made to that certain Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, supplemented or otherwise modified prior to the date hereof, the "Existing Credit Agreement", and, as amended by this Amendment, the "Credit Agreement"), among the Administrative Borrower, the other Borrowers party thereto from time to time, the Administrative Agent, and each Lender from time to time party thereto;

**WHEREAS**, pursuant to Sections 8.01(b) and (e) of the Credit Agreement, within one hundred five (105) days after the close of each Fiscal Year of the Administrative Borrower (or, if earlier, fifteen (15) days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), the Administrative Borrower is required to deliver to the Administrative Agent: (i) the consolidated balance sheet of the Administrative Borrower and its Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of income and retained earnings and statement of cash flows for such Fiscal Year setting forth comparative figures for the preceding Fiscal Year and certified by independent certified public accountants of recognized national standing, accompanied by an opinion of such accounting firm stating that in the course of its regular audit of the financial statements of the Administrative Borrower and its Subsidiaries, which audit was conducted in accordance with generally accepted auditing standards, such accounting firm obtained no knowledge of any Default or an Event of Default relating to financial or accounting matters which has occurred and is continuing or, if in the opinion of such accounting firm such a Default or an Event of Default has occurred and is continuing, a statement as to the nature thereof, (ii) management's discussion and analysis of the important operational and financial developments during such Fiscal Year, and (iii) a compliance certificate from an Authorized Officer of the Administrative Borrower certifying on behalf of the Administrative Borrower that, among other things, no Default or Event of Default has occurred and is continuing (collectively, the "Annual Financial Deliverables");

**WHEREAS**, the Administrative Borrower has failed to timely deliver the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022 in accordance with Sections 8.01(b) and (e) of the Credit Agreement (such Default, together with (x) any breach of any representation and warranty arising from or related to such Default, (y) any failure to give notice of such Default, or (z) the taking of any action prohibited during the continuance of such Default or any Default set forth in clauses (x) or (y), in the case of each of clauses (x), (y) and (z) arising solely as a result of the failure to timely deliver the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022, the "Specified Defaults"); and

**WHEREAS**, the Administrative Borrower has requested that the Required Lenders (a) waive the Specified Defaults and (b) amend certain provisions of the Credit Agreement as more specifically set forth below.

**NOW, THEREFORE**, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

ARTICLE I  
DEFINED TERMS

Unless otherwise specifically defined herein, each term used herein which is defined in the Credit

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Agreement has the meaning assigned to such term in the Credit Agreement. This Amendment is a "Credit Document" as defined under the Credit Agreement.

## ARTICLE II LIMITED WAIVER

Section 2.01. Limited Waiver. Subject to the terms and conditions set forth herein, effective as of the First Amendment Effective Date, the Administrative Agent and the Lenders (constituting the Required Lenders) hereby waive the Specified Defaults. The limited waiver set forth in this Section 2.01 (the "Waiver") is limited to the extent expressly set forth herein and no other terms, covenants or provisions of the Credit Agreement or other Credit Document shall in any way be affected by the Waiver. The Waiver is granted only with respect to the Specified Defaults and shall not apply to any other breach of the terms of the Credit Agreement or any actual or prospective default or breach of any other provision of the Credit Agreement or any other Credit Document (including, without limitation, Section 2.02 of this Amendment). Other than with respect to the Specified Defaults, the Waiver does not waive any other requirement with respect to the delivery of the Annual Financial Deliverables. The Waiver shall not in any manner create a course of dealing or otherwise impair the future ability of the Administrative Agent or the Lenders to declare a Default or Event of Default under or otherwise enforce the terms of the Credit Agreement or any other Credit Document other than with respect to the Specified Defaults specifically and expressly waived in, and subject to the terms of, the Waiver.

### Section 2.02. Covenants and Event of Default

(a) Notwithstanding anything to the contrary set forth in this Amendment, the Credit Agreement or any other Credit Document, the Administrative Borrower (i) shall deliver to the Administrative Agent the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022 no later than June 2, 2023 and (ii) solely to the extent received by the Administrative Borrower by or before June 2, 2023, shall deliver to the Administrative Agent within three (3) Business Days after the receipt thereof, a management letter on internal control by the accounting firm that audited the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022; provided that failure to timely deliver the Annual Financial Deliverables or, solely to the extent received by the Administrative Borrower, such management letter on internal control in accordance with this Section 2.02 shall constitute an immediate Event of Default under the Credit Agreement.

(b) The Administrative Borrower shall timely deliver to the Administrative Agent a copy of any written notice received by or sent to the SEC or any trustee, agent or noteholders under the Senior Secured Notes Indenture in connection with the Company's failure to timely deliver the annual reports or other financial information for the Fiscal Year ended December 31, 2022 required to be filed with the SEC or delivered to such trustee, agent or the noteholders under the Senior Secured Notes Indenture.

## ARTICLE III AMENDMENTS

Section 3.01. Effective as of the First Amendment Effective Date, the Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the underlined text (indicated textually in the same manner as the following example: underlined text) as set forth in Annex A attached hereto.

Section 3.02. Effective as of the First Amendment Effective Date, Exhibits A-1 and A-2 to the Credit Agreement are hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the underlined text (indicated textually in the same manner as the following example: underlined text) as set forth in Annex B attached hereto.

ARTICLE IV  
CONVERSION TO TERM SOFR LOANS

Notwithstanding anything to the contrary contained herein, in the Credit Agreement or in any other Credit Document, each of the parties hereto agrees that from and after the date hereof, any request for a new LIBOR Loan (as defined in the Existing Credit Agreement), for a continuation of an existing LIBOR Loan (as defined in the Existing Credit Agreement) or for a conversion of a Loan to a LIBOR Loan (as defined in the Existing Credit Agreement) shall be deemed to be a request for a Loan bearing interest at Term SOFR; provided that, to the extent any LIBOR Loan (as defined in the Existing Credit Agreement) is outstanding on the First Amendment Effective Date (the "Existing LIBOR Loans"), such Existing LIBOR Loan shall continue to bear interest at LIBOR until the end of the current Interest Period applicable to such Existing LIBOR Loan. Any such Existing LIBOR Loans shall continue to be governed by the relevant provisions of the Credit Agreement applicable to LIBOR Loans (as defined in the Existing Agreement) until the repayment of such Existing LIBOR Loans at the end of the then-current Interest Period applicable to such Existing LIBOR Loan or the conversion of such Existing LIBOR Loans in accordance with the terms of the Credit Agreement.

ARTICLE V  
REPRESENTATIONS AND WARRANTIES

Each Borrower and each of the Subsidiary Guarantors party hereto makes the following representations, warranties and agreements, as of the First Amendment Effective Date:

(a) each of the representations and warranties in Section 7 of the Credit Agreement and in each other Credit Document is true and correct in all material respects (it being understood and agreed that (x) any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date and (y) any representation or warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects after giving effect to such qualification);

(b) after giving effect to the terms of this Amendment, no Default or Event of Default has occurred and is continuing;

(c) the execution, delivery and performance of this Amendment by each Borrower and each of the Subsidiary Guarantors has been duly authorized by all necessary corporate or other organizational action;

(d) the execution, delivery and performance of this Amendment by each Borrower and each of the Subsidiary Guarantors do not and will not (i) contravene any provision of any law, statute, rule or regulation or any order, writ, injunction or decree of any court or Governmental Authority, except in the case of any contravention that would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect; (ii) conflict with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under (x) the Senior Secured Notes Indenture, (y) after the execution and delivery thereof, the Permitted

Subordinated Debt Documents, the Permitted Unsecured Debt Documents, Parity Lien Documents, Junior Lien Documents and any Permitted Refinancing Debt Documents in respect of the Senior Secured Notes, the Permitted Subordinated Debt and the Permitted Unsecured Debt, in any such case to the extent governing Indebtedness in an aggregate outstanding principal amount equal to or greater than \$20,000,000, and (z) any other indenture, mortgage, deed of trust, credit agreement, loan agreement or any other agreement, contract or instrument, in each case to which any Credit Party or any of its Restricted Subsidiaries is a party or by which it or any of its property or assets is bound or to which it may be subject, except, in the case of the preceding subclause (x), for any contravention, breach, default, lien and/or conflict, that would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect; or (iii) violate any provision of the certificate or articles of incorporation, certificate of formation, limited liability company agreement or by-laws (or equivalent organizational documents), as applicable, of any Credit Party; and

(e) this Amendment and all other Credit Documents executed and delivered in connection herewith constitute the legal, valid and binding obligation of such Loan Party enforceable in accordance with its respective terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law).

#### ARTICLE VI CONDITIONS PRECEDENT

This Amendment shall be effective on the first date of satisfaction (or waiver by the Administrative Agent) of the following conditions precedent (all documents to be in form and substance reasonably satisfactory to Administrative Agent) (such date, the "First Amendment Effective Date"):

(a) The Administrative Agent shall have received counterparts of this Amendment duly executed and delivered by each Borrower, each Subsidiary Guarantor and each Lender party hereto (constituting the Required Lenders); and

(b) The Administrative Borrower shall pay or reimburse all reasonable documented out-of-pocket costs and expenses of the Administrative Agent (including, without limitation, the reasonable fees and disbursements of Latham & Watkins LLP) in connection with the preparation, execution, delivery and administration of this Amendment and the other Credit Documents.

#### ARTICLE VII REAFFIRMATION OF CREDIT DOCUMENTS

Each Credit Party hereby (a) agrees that each Credit Document to which it is a party is hereby reaffirmed and, except as modified by the terms hereof, shall continue to be in full force and effect, and (b) affirms and confirms that all guarantees, Liens and security interests granted to the Administrative Agent, the Collateral Agent and the Lenders under the Guaranty, the Pledge Agreement, the Security Agreement and each other Credit Document to which it is a party remain in full force and effect and shall continue to secure the Obligations. Nothing in this Amendment or in any of the transactions contemplated hereby is intended, or shall be construed, to constitute a novation or an accord and satisfaction of any of the Obligations under the Credit Agreement or the other Credit Documents or to modify, affect or impair the perfection, priority or continuation of the security interests in, security titles to or other Liens on any Collateral for the Obligations.

ARTICLE VIII  
MISCELLANEOUS

Section 8.01. Liens Unimpaired. Neither the Waiver nor the execution, delivery, performance or effectiveness of this Amendment:

(a) impairs the validity, effectiveness or priority of the Liens granted pursuant to any Credit Document, and such Liens continue unimpaired with the same priority to secure repayment of all Obligations, whether heretofore or hereafter incurred; or

(b) requires that any new filings be made or other action taken to perfect or to maintain the perfection of such Liens.

Section 8.02. Entire Agreement. This Amendment, the Credit Agreement, and the other Credit Documents constitute the entire agreement among the parties hereto with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and oral, among the parties hereto with respect to the subject matter hereof and thereof. No modification hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed on behalf of the party against whom enforcement is sought.

Section 8.03. **GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES). SECTIONS 12.08(A), (B) AND (C) OF THE CREDIT AGREEMENT ARE HEREBY INCORPORATED BY REFERENCE, *MUTATIS MUTANDIS*, AND SHALL APPLY HERETO.**

Section 8.04. Severability. Any provision of this Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions of this Amendment; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace any invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 8.05. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be an original, but all of which together constitute one and the same instrument. This Amendment shall be binding upon and inure to the benefit of and be enforceable by the respective permitted successors and assigns of the parties hereto. Delivery of an executed counterpart of a signature page of this Amendment that is an Electronic Signature transmitted by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; *provided* that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it.

Section 8.06. Headings. The headings of the several articles and sections of this Amendment are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Amendment.

*[Signature Pages Follow]*

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

URBAN ONE, INC., as the Administrative Borrower

By: \_\_\_\_\_  
Name:  
Title:

TV ONE, LLC  
INTERACTIVE ONE, INC.  
REACH MEDIA, INC., each as a Borrower

By: \_\_\_\_\_  
Name:  
Title:

*[First Amendment and Waiver Signature Page]*

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RADIO ONE LICENSES, LLC  
BOSSIPMADAMENOIRE, LLC  
CLEOTV, LLC  
RO ONE SOLUTION, LLC  
BELL BROADCASTING COMPANY, LLC  
RADIO ONE OF DETROIT, LLC  
RADIO ONE OF CHARLOTTE, LLC  
CHARLOTTE BROADCASTING, LLC  
RADIO ONE OF NORTH CAROLINA, LLC  
BLUE CHIP BROADCASTING, LTD.  
BLUE CHIP BROADCASTING LICENSES, LTD.  
RADIO ONE OF INDIANA, LLC  
RADIO ONE OF INDIANA, L.P.  
RADIO ONE OF TEXAS II, LLC  
SATELLITE ONE, L.L.C.  
RADIO ONE CABLE HOLDINGS, LLC  
NEW MABLETON BROADCASTING CORPORATION  
RADIO ONE MEDIA HOLDINGS, LLC  
RADIO ONE DISTRIBUTION HOLDINGS, LLC  
INTERACTIVE ONE, LLC  
DISTRIBUTION ONE, LLC  
GAFFNEY BROADCASTING LLC  
RADIO ONE URBAN NETWORK HOLDINGS, LLC  
RADIO ONE ENTERTAINMENT HOLDINGS, LLC  
URBAN ONE ENTERTAINMENT SPV, LLC  
URBAN ONE PRODUCTIONS, LLC  
T TENTH PRODUCTIONS, LLC  
CHARLIE BEAR PRODUCTIONS, LLC, each as a Subsidiary Guarantor

By: \_\_\_\_\_  
Name:  
Title:

*[First Amendment and Waiver Signature Page]*

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BANK OF AMERICA, N.A.,  
as Administrative Agent and as a Lender

By: \_\_\_\_\_  
Name:  
Title:

*[First Amendment and Waiver Signature Page]*

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Annex A  
Conformed Credit Agreement

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CREDIT AGREEMENT

among

URBAN ONE, INC.,

THE OTHER BORROWERS FROM TIME TO TIME PARTY HERETO,

VARIOUS LENDERS,

and

BANK OF AMERICA, N.A.,  
as Administrative Agent

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Dated as of February 19, 2021

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CREDIT AGREEMENT, dated as of February 19, 2021, among URBAN ONE, INC., a Delaware corporation (the “Administrative Borrower”), the other Borrowers party hereto from time to time, the Lenders party hereto from time to time, and BANK OF AMERICA, N.A., as Administrative Agent. All capitalized terms used herein and defined in Section 1.01 are used herein as therein defined.

WITNESSETH:

WHEREAS, in order to provide for the working capital needs and general corporate requirements (including to finance permitted Investments, Permitted Acquisitions, Capital Expenditures and Dividends) of the Borrowers and their respective Subsidiaries, the Borrowers have requested that the Lenders extend credit to the Borrowers; and

WHEREAS, the Lenders are willing to extend credit to the Borrowers, subject to and upon the terms and conditions set forth herein;

NOW, THEREFORE, IT IS AGREED:

SECTION 1. Definitions and Accounting Terms

1.01. Defined Terms. As used in this Agreement, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

“Account” shall mean any “account” (as that term is defined in the UCC).

“Account Debtor” shall mean any Person who is obligated on an Account, chattel paper, or a general intangible.

“Acquired Entity or Business” shall mean, either (a) the assets constituting a business, division, product line or Station of any Person not already a Subsidiary of the Administrative Borrower or (b) the Equity Interests of any such Person (including by way of merger), which Person shall, as a result of the acquisition of such Equity Interests, become (i) a Domestic Restricted Subsidiary of the Administrative Borrower (or shall be merged with and into the Administrative Borrower or another Domestic Restricted Subsidiary of the Administrative Borrower, with the Administrative Borrower or such Domestic Restricted Subsidiary being the surviving or continuing Person) or (ii) a Foreign Restricted Subsidiary of the Administrative Borrower (or shall be merged with and into a Foreign Restricted Subsidiary of the Administrative Borrower, with the Foreign Restricted Subsidiary of the Administrative Borrower being the surviving or continuing Person).

“Acquired Indebtedness” shall mean Indebtedness (1) of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary, (2) assumed in connection with the acquisition of assets from such Person, in each case whether or not incurred by such Person in connection with such Person becoming a Restricted Subsidiary of the Administrative Borrower or such acquisition or (3) of a Person at the time such Person merges with or into or consolidates or otherwise combines with the Administrative Borrower or any Restricted Subsidiary. Acquired Indebtedness shall be deemed to have been incurred, with respect to clause (1) of the preceding sentence, on the date such Person becomes a Restricted Subsidiary and, with respect to clause (2) of the preceding sentence, on the date of consummation of such acquisition of assets and, with respect to clause (3) of the preceding sentence, on the date of the relevant merger, consolidation or other combination.

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"Additional Borrower" shall mean a Wholly-Owned Domestic Restricted Subsidiary of the Administrative Borrower that is appointed as such pursuant to the terms and conditions set forth in Section 2.15.

"Additional Cost-Savings Adjustments" shall mean, with respect to any Specified Transaction, those cost-savings adjustments (in each case not included pursuant to subclause (x) of clause (iii) of the definition of Pro Forma Basis contained herein) and other adjustments to reflect operating improvements, operating expense reductions, initiatives or synergies reasonably anticipated by the Administrative Borrower to be realized in connection with such Specified Transaction during the 18 month period following the consummation thereof, which adjustments shall be (a) reasonably identifiable and factually supportable in the good faith judgment of the Administrative Borrower, and (b) net of costs reasonably expected to be incurred by the Administrative Borrower and its Restricted Subsidiaries to achieve any such cost savings.

"Additional Parity Lien Debt Facility" means one or more debt facilities, credit agreements, notes, note purchase agreements, commercial paper facilities, indentures or other agreements for which the requirements of the Intercreditor Agreements have been satisfied and which is so designated as Parity Lien Debt, in each case with banks, lenders, purchasers, investors or trustees, agents or other representatives of any of the foregoing providing for revolving credit loans, term loans, letters of credit, notes or other borrowings or extensions of credit (but excluding any receivables securitization or receivables financing), in each case, as amended, restated, amended and restated, modified, renewed, refunded, extended, restructured, increased, supplemented, replaced or refinanced in whole or in part from time to time in accordance with each applicable Secured Document, including any replacement, refunding or refinancing facility or agreement that increases the amount permitted to be borrowed thereunder or alters the maturity thereof or adds entities as additional borrowers or guarantors thereunder and whether by the same or any other agent, lender, group of lenders, or otherwise; provided that in the case of any replacement or refinancing, the provisions of the Revolver Intercreditor Agreement are complied with; provided further that any Junior Lien Debt shall not constitute an Additional Parity Lien Debt Facility.

"Additional Security Documents" shall have the meaning provided in Section 8.11.

"Administrative Agent" shall mean Bank of America, N.A., in its capacity as Administrative Agent for the Lenders hereunder and under the other Credit Documents, and shall include any permitted successor to the Administrative Agent appointed pursuant to Section 11.09.

"Administrative Borrower" shall mean Urban One, Inc., a Delaware corporation.

"Administrative Questionnaire" shall mean an Administrative Questionnaire in the form supplied from time to time by the Administrative Agent.

"Affected Financial Institution" means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"Affiliate" of any specified Person shall mean any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"Affiliate Transaction" shall have the meaning provided in Section 9.06.

“Aggregate Consideration” shall mean, with respect to any Permitted Acquisition, the sum (without duplication) of (a) the aggregate amount of all cash paid (or to be paid) by the Administrative Borrower or any of its Restricted Subsidiaries for the applicable Acquired Entity or Business in connection with such Permitted Acquisition, (b) the aggregate principal amount of all Indebtedness assumed, incurred, refinanced and/or issued in connection with such Permitted Acquisition to the extent permitted by Section 9.04 (including Permitted Acquired Debt) (excluding cash proceeds thereof paid and included pursuant to clause (a) above), and (c) the fair market value of all other consideration paid (or to be paid) by the Administrative Borrower or its Restricted Subsidiaries in connection with such Permitted Acquisition; provided, that “Aggregate Consideration” shall not include consideration paid in the form of common Equity Interests of the Administrative Borrower.

“Agreement” shall mean this Credit Agreement, as modified, supplemented, amended, restated (including any amendment and restatement hereof), extended or renewed from time to time.

“AP and Deferred Revenue Reserve” shall mean, as of any date of determination, the Dollar amount of reserves for accounts payable accruals and/or deferred revenue for which reasonable detail as to the composition of which has not been provided to the Administrative Agent, as determined by the Administrative Agent in its Permitted Discretion.

“Applicable Margin” shall mean, as of any date of determination and with respect to Base Rate Loans or Term SOFR Loans, as applicable, the applicable margin set forth in the following table that corresponds to the Average Availability of the Borrowers for the most recently completed Fiscal Quarter; provided, that (x) for the first two (2) full Fiscal Quarters ending after the Effective Date and (y) any time an Event of Default has occurred and is continuing, the Applicable Margin, in each case, shall be set at the margin in the row styled “Level I”:

<u>Level</u>	<u>Average Availability</u>	<u>Applicable Margin Relative to Base Rate Loans</u>	<u>Applicable Margin Relative to Term SOFR Loans</u>
I	Greater than or equal to two thirds of the Revolving Loan Limit	1.00%	2.00%
II	Greater than or equal to one half of the Revolving Loan Limit but less than two thirds of the Revolving Loan Limit	1.25%	2.25%
III	Less than one half of the Revolving Loan Limit	1.50%	2.50%

Except as expressly provided above, the Applicable Margin shall be re-determined as of the first day of each Fiscal Quarter of the Administrative Borrower.

“Asset Sale” shall mean

(a) the sale, conveyance, transfer or other disposition, whether in a single transaction or a series of related transactions, of property or assets (including by way of a Sale and Leaseback Transaction) of the Administrative Borrower (other than Equity Interests of the Administrative Borrower) or any of its Restricted Subsidiaries (each referred to in this definition as a “disposition”); or

(b) the issuance or sale of Equity Interests of any Restricted Subsidiary (other than Preferred Equity or Disqualified Preferred Equity of Restricted Subsidiaries issued in compliance with Section 9.04 or directors' qualifying shares and shares issued to foreign nationals as required under applicable law), whether in a single transaction or a series of related transactions;

in each case, other than:

- (i) a disposition of inventory or other assets in the ordinary course of business;
- (ii) transactions permitted under Section 9.02 or a transaction that constitutes a Change of Control;
- (iii) an issuance of Equity Interests by a Restricted Subsidiary to the Administrative Borrower or to another Restricted Subsidiary or as part of or pursuant to an equity incentive or compensation plan approved by the board of directors or other governing body;
- (iv) any dispositions of Equity Interests, properties or assets in a single transaction or series of related transactions with a Fair Market Value (as determined in good faith by the Administrative Borrower) of less than \$10,000,000;
- (v) dispositions of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings;
- (vi) foreclosure, condemnation or any similar action with respect to any property or other assets;
- (vii) any disposition of Equity Interests of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Administrative Borrower or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired, or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition;
- (viii) [reserved];
- (ix) to the extent allowable under Section 1031 of the Code, any exchange of like property (excluding (x) any boot thereon and (y) Collateral constituting ABL Priority Collateral (as defined in the Revolver Intercreditor Agreement) for use in a Permitted Business; and
- (x) any surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims of any kind.

"Assignment and Assumption Agreement" shall mean an Assignment and Assumption Agreement substantially in the form of Exhibit M (appropriately completed).

"Authorizations" shall mean all filings, recordings and registrations with, and all validations or exemptions, approvals, orders, authorizations, consents, Licenses, certificates and permits from, the FCC and other Governmental Authorities. "Authorizations" shall not include filings, records or registrations with respect to intellectual property.

“Authorized Officer” shall mean, with respect to (a) delivering financial information, Borrowing Base Certificates and officer’s certificates related thereto pursuant to this Agreement, the chief executive officer, the chief financial officer, the treasurer, the controller, the principal accounting officer of the Administrative Borrower or such other officer of the Administrative Borrower having substantially the same authority and responsibility, including any vice president, and (b) for all other purposes hereunder, the chief executive officer, the chief financial officer, the treasurer, the controller, the principal accounting officer, the president, and any vice president.

“Availability” shall mean, as of any date of determination, the amount that the Borrowers are entitled to borrow as Revolving Loans under Section 2.01 of this Agreement (after giving effect to the then outstanding Revolver Usage, but expressly excluding Bank Product Obligations).

“Average Availability” shall mean, with respect to any period, the sum of the aggregate amount of Availability for each Business Day in such period (calculated as of the end of each respective Business Day) divided by the number of Business Days in such period.

“Bail-In Action” shall mean the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

“Bail-In Legislation” shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

“Bankruptcy Code” shall have the meaning provided in Section 10.05.

“Bank Product” shall mean any one or more of the following financial products or accommodations extended to the Administrative Borrower or its Restricted Subsidiaries by a Bank Product Provider: (a) credit cards, (b) credit card processing services, (c) debit cards, (d) stored value cards, (e) purchase cards (including so-called “procurement cards” or “P-cards”), (f) Cash Management Services, or (g) transactions under Hedge Agreements.

“Bank Product Agreements” shall mean those agreements entered into from time to time by the Administrative Borrower or its Restricted Subsidiaries with a Bank Product Provider in connection with the obtaining of any of the Bank Products.

“Bank Product Collateralization” shall mean providing cash collateral (pursuant to documentation reasonably satisfactory to Administrative Agent) to be held by Administrative Agent for the benefit of the Bank Product Providers (other than the Hedge Providers) in an amount determined by Administrative Agent in its Permitted Discretion as sufficient to satisfy the reasonably estimated credit exposure with respect to the then existing Bank Product Obligations (other than Hedge Obligations).

“Bank Product Obligations” shall mean (a) all obligations, liabilities, reimbursement obligations, fees, or expenses owing by the Administrative Borrower or its Restricted Subsidiaries to any Bank Product Provider pursuant to or evidenced by a Bank Product Agreement and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, (b) all Hedge Obligations, and (c) all amounts that Administrative Agent or

any Lender is obligated to pay to a Bank Product Provider as a result of Administrative Agent or such Lender purchasing participations from, or executing guarantees or indemnities or reimbursement obligations to, a Bank Product Provider with respect to the Bank Products provided by such Bank Product Provider to the Administrative Borrower or its Restricted Subsidiaries.

"Bank Product Provider" shall mean Bank of America, N.A. or any of its Affiliates.

"Bank Product Reserve Amount" shall mean, as of any date of determination, the Dollar amount of reserves that Administrative Agent has determined in its Permitted Discretion it is necessary or appropriate to establish (based upon the Bank Product Providers' reasonable determination of their credit exposure to Parent and its Subsidiaries in respect of Bank Product Obligations) in respect of Bank Products then provided or outstanding.

"Base Rate" shall mean the greater of (a) the Federal Funds Rate plus one-half of one percent (0.50%), (b) Term SOFR (which rate shall be calculated based upon an Interest Period of one (1) month and shall be determined on a daily basis), plus one (1) percentage point, and (c) the rate of interest announced, from time to time, by Bank of America, N.A. as its "prime rate", with the understanding that the "prime rate" is one of Bank of America, N.A.'s base rates (not necessarily the lowest of such rates) and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto and is evidenced by the recording thereof after its announcement in such internal publications as Bank of America, N.A. may designate. Any change in the Base Rate due to a change in the prime lending rate, the Federal Funds Rate or Term SOFR shall be effective as of the opening of business on the day of such change in the prime lending rate, the Federal Funds Rate or Term SOFR, respectively.

"Base Rate Loan" shall mean each Loan designated or deemed designated as such by the Administrative Borrower at the time of the incurrence thereof or conversion thereto.

"Beneficial Owner" shall have the meaning provided to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act; except, that in calculating the beneficial ownership of any particular "person" (as that term is used in Section 13(d)(3) of the Exchange Act), such "person" will be deemed to have beneficial ownership of all securities that such "person" has the right to acquire by conversion or exercise of other securities, provided that right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition. The terms "Beneficially Owns" "Beneficially Owning" and "Beneficially Owned" have correlative meanings.

"Beneficial Ownership Certification" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

"Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230.

"Benefit Plan" means any of (a) an "employee benefit plan" (as defined in ERISA) that is subject to Title I of ERISA, (b) a "plan" as defined in and subject to Section 4975 of the Code or (c) any Person whose assets include (for purposes of ERISA Section 3(42) or otherwise for purposes of Title I of ERISA or Section 4975 of the Code) the assets of any such "employee benefit plan" or "plan".

"BHC Act Affiliate" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"Borrowers" shall mean the Administrative Borrower, TV One, LLC, Interactive One, Inc., Reach Media, Inc. and any Additional Borrowers; provided that, for the avoidance of doubt, to the extent



that a Person is a Borrower (other than the Administrative Borrower), such Person shall be a Restricted Subsidiary of the Administrative Borrower.

“Borrower Common Stock” shall mean the authorized common stock of the Administrative Borrower.

“Borrower Materials” shall have the meaning provided in Section 12.03(c).

“Borrowing” shall mean a borrowing consisting of Revolving Loans made on the same day by the Revolving Lenders (or Administrative Agent on behalf thereof), or by Administrative Agent in the case of a Protective Advance funded for the account of Administrative Agent.

“Borrowing Base” shall mean, as of any date of determination, the result of:

(a) eighty-five percent (85%) of the amount of Eligible Accounts, less the amount, if any, of the Dilution Reserve, minus

(b) the sum of (i) the Bank Product Reserve, plus (ii) the AP and Deferred Revenue Reserve, plus (iii) without duplication, the aggregate amount of all other reserves, if any, established by Administrative Agent in its Permitted Discretion under Section 2.01.

“Borrowing Base Certificate” shall mean a certificate in the form of Exhibit B-1.

“Borrowing Base Excess” shall have the meaning provided in Section 2.03(b).

“Business Day” shall mean each day that is not a Saturday, Sunday or other day on which banking institutions in New York, New York are authorized or required by law to close, and if such day relates to any Term SOFR Loan, means any such day that is also a U.S. Government Securities Business Day.

“Calculation Period” shall mean, with respect to any Permitted Acquisition, any Asset Sale, any Subsidiary Designation, any Specified Transaction or any other event expressly required to be calculated on a Pro Forma Basis pursuant to the terms of this Agreement, the Test Period most recently ended prior to the date of such Permitted Acquisition, Asset Sale, Subsidiary Designation, Specified Transaction or other event for which financial statements have been delivered to the Lenders pursuant to Section 8.01(a) or (b), as applicable.

“Capital Expenditures” shall mean, with respect to any Person, for any period, the aggregate, without duplication, of all expenditures by such Person which should be capitalized in accordance with GAAP and, without duplication, the value of all assets under Capitalized Lease Obligations incurred by such Person and its Restricted Subsidiaries during such period (other than as a result of purchase accounting).

“Capitalized Lease Obligations” shall mean an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes on the basis of GAAP; provided that all obligations of the Administrative Borrower and its Restricted Subsidiaries that are or would be characterized as an operating lease as determined in accordance with GAAP as in effect on December 31, 2019 (whether or not such operating lease was in effect on such date) shall continue to be accounted for as an operating lease (and not as a Capitalized Lease Obligation) for purposes of this Agreement (regardless of any change in GAAP following December 31, 2019 that would otherwise require such obligation to be characterized or recharacterized as a Capitalized Lease Obligation). The amount of Indebtedness

represented by such obligation will be the capitalized amount of such obligation at the time any determination thereof is to be made as determined on the basis of GAAP, and the Stated Maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty. For purposes of Section 9.01 hereof a Capitalized Lease Obligation shall be deemed secured by a Lien on the property or assets (and proceeds thereof) being leased.

“Cash Dominion Period” shall mean any period: (a)(i) commencing on the date on which Availability is less than the greater of (x) fifteen percent (15%) of the Revolving Loan Limit and (y) \$7,500,000, in each case, for three (3) consecutive Business Days (this clause (i) being referred to herein as a “Trigger Event”) and (ii) ending on the date on which Availability is greater than the applicable Availability threshold that caused such Trigger Event for any consecutive thirty (30) day period, or (b)(i) commencing on the date on which an Event of Default has occurred and (ii) ending on the date on which such Event of Default has been waived or cured in accordance with the terms of this Agreement.

“Cash Equivalents” shall mean, as to any Person, (a) United States dollars or any other foreign currency held by the Administrative Borrower and the Restricted Subsidiaries in the ordinary course of business, (b) securities issued or directly and fully guaranteed or insured by the United States or Canadian governments or, in each case, any agency or instrumentality thereof (provided that the full faith and credit of such country is pledged in support thereof) having maturities of not more than two (2) years from the date of acquisition, (c) certificates of deposit, time deposits, eurodollar time deposits, overnight bank deposits or bankers' acceptances having maturities of not more than one year from the date of acquisition thereof issued by any Lender or by any bank or trust company (x) whose commercial paper is rated at least “A-2” or the equivalent thereof by S&P or at least “P-2” or the equivalent thereof by Moody's (or if at the time neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) or (y) (in the event that the bank or trust company does not have commercial paper which is rated) having combined capital and surplus in excess of \$250,000,000, (d) repurchase obligations for underlying securities of the types described in clauses (b) and (c) above entered into with any bank meeting the qualifications specified in clause (c) above, (e) commercial paper rated at the time of acquisition thereof at least “A-2” or the equivalent thereof by S&P or “P-2” or the equivalent thereof by Moody's or carrying an equivalent rating by a Nationally Recognized Statistical Rating Organization, if both of the two named rating agencies cease publishing ratings of investments or, if no rating is available in respect of the commercial paper, the issuer of which has an equivalent rating in respect of its long-term debt, and in any case maturing within one year after the date of acquisition thereof, (f) readily marketable direct obligations issued by any state of the United States of America, any province of Canada or any political subdivision thereof, in each case, having one of the two highest rating categories obtainable from either Moody's or S&P (or, if at the time, neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) with maturities of not more than two years from the date of acquisition, and (g) interests in any investment company, money market or enhanced high yield fund which invests 95% or more of its assets in instruments of the type specified in clauses (a) through (g) above. Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clause (a) above; provided that such amounts are converted into any currency listed in clause (a) as promptly as practicable and in any event within ten (10) Business Days following the receipt of such amounts.

“Cash Management Services” shall mean any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, overdraft facilities, foreign exchange facilities, merchant services and credit card services, e-payables services, electronic funds transfer, interstate depository network, automatic clearing house transfer (including the Automated Clearing House processing of electronic funds transfers through the direct Federal Reserve Fedline system) and other cash management arrangements.

“CERCLA” shall mean the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as the same has been amended and may hereafter be amended from time to time, 42 U.S.C. § 9601 et seq.

“CFC” shall mean a Foreign Subsidiary that is a “controlled foreign corporation” as defined in Section 957 of the Code.

“Change in Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a “Change in Law”, regardless of the date enacted, adopted, issued or implemented.

“Change of Control” shall mean

(1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the properties or assets of the Administrative Borrower and its Restricted Subsidiaries, taken as a whole, to any “person” (as that term is used in Section 13(d)(3) of the Exchange Act) other than a Principal or a Related Party or a Permitted Group;

(2) the adoption of a plan relating to the liquidation or dissolution of any Borrower;

(3) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that more than 50% of the Voting Stock of the Administrative Borrower or any Parent Company, measured by voting power, rather than number of shares, is Beneficially Owned, directly or indirectly, by any Person other than any Parent Company, the Principals and their Related Parties or a Permitted Group; or

(4) a “change of control” or similar event shall occur as provided in (i) any Parity Lien Documents, including any Senior Secured Notes Document, any Junior Lien Documents or any Permitted Refinancing Debt Document relating to the foregoing and (ii) any other Indebtedness (or the documentation governing the same) to the extent the outstanding principal amount or liquidation preference, as the case may be, of such other Indebtedness exceeds \$20,000,000.

“CME” means CME Group Benchmark Administration Limited.

“Code” shall mean the United States Internal Revenue Code of 1986, as amended.

“Collateral” shall mean all property (whether real or personal) with respect to which any security interests have been granted (or purported to be granted) pursuant to any Security Document, including, without limitation, all Pledge Agreement Collateral, all Security Agreement Collateral and all cash and Cash Equivalents delivered as collateral pursuant to Section 6 and Section 8.11 (but excluding, for the avoidance of doubt, Excluded Assets).

“Collateral Agent” shall mean the Administrative Agent acting as collateral agent for the Secured Creditors pursuant to the Security Documents, and any successor collateral agent.

“Commitment” shall mean the Revolving Loan Commitment of each Lender

“Commodity Exchange Act” shall mean the Commodity Exchange Act (7 U.S.C. Section 1 et seq.), as amended from time to time, and any successor statute.

“Communications” shall have the meaning provided in Section 12.03(b).

“Communications Act” shall mean the Communications Act of 1934, as amended, and the rules and regulations and published policies of the FCC thereunder.

“Connection Income Taxes” means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

“Company” shall mean any corporation, limited liability company, partnership or other business entity (or the adjectival form thereof, where appropriate).

“Conforming Changes” means, with respect to the use, administration of or any conventions associated with SOFR or any proposed Successor Rate or Term SOFR, as applicable, any conforming changes to the definitions of “Base Rate”, “SOFR”, “Term SOFR” and “Interest Period”, timing and frequency of determining rates and making payments of interest and other technical, administrative or operational matters (including, for the avoidance of doubt, the definitions of “Business Day” and “U.S. Government Securities Business Day”, timing of borrowing requests or prepayment, conversion or continuation notices and length of lookback periods) as may be appropriate, in the discretion of the Administrative Agent, in consultation with the Borrower Representative, to reflect the adoption and implementation of such applicable rate(s) and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent determines that adoption of any portion of such market practice is not administratively feasible or that no market practice for the administration of such rate exists, in such other manner of administration as the Administrative Agent, in consultation with the Borrower Representative, determines is reasonably necessary in connection with the administration of this Agreement and any other Credit Document).

“Consolidated EBITDA” shall mean, for any period, Consolidated Net Income for such period (without giving effect to (x) any extraordinary gains (or losses) and any related provision for taxes on such extraordinary gains (or losses), (y) any non-cash income (including any non-cash income resulting from the early extinguishment of Indebtedness), and (z) any gains or losses from sales of assets (other than inventory sold in the ordinary course of business)) adjusted by (A) adding thereto (in each case to the extent deducted in determining Consolidated Net Income for such period), without duplication, the amount of (i) total interest expense (inclusive of amortization of deferred financing fees and other original issue discount and banking fees, charges and commissions (e.g., letter of credit fees and commitment fees)) of the Administrative Borrower and its Restricted Subsidiaries determined on a consolidated basis for such period, (ii) provision for taxes based on income or profits and foreign withholding taxes and franchise, state single business unitary and similar taxes, for the Administrative Borrower and its Restricted Subsidiaries determined on a consolidated basis for such period, (iii) all depreciation and amortization expense (including but not limited to launch support provided for multichannel video program distributors) of the Administrative Borrower and its Restricted Subsidiaries determined on a consolidated basis for such period, (iv) cash charges and expenses actually incurred in connection with employee or management, recruitment, relocation, retention, signing bonus or severance costs during such period, (including, without limitation, related to Permitted Acquisitions, Investments, closures and consolidations of operations, Asset Sales and

Specified Transactions), and in each case eliminating any increase or decrease in income resulting from non-cash accounting adjustments made in connection with the related Permitted Acquisition; provided, that in no event shall the sum of the amounts added back pursuant to this clause (iv) for any period, together with amounts added back pursuant to clause (xiii) below for such period, exceed \$5,000,000, (v) customary and reasonable professional fees, costs and expenses and other costs and expenses incurred or paid in connection with, and reasonably related to, any Investment (including any Permitted Acquisition), issuance of Equity Interests, Asset Sale, sale of assets or incurrence of Indebtedness permitted pursuant to Section 9.04 (as amended and/or modified from time to time), in each case, whether or not consummated, (vi) the amount of all fees, costs and expenses incurred or paid in connection with the Transactions and in connection with the "Refinancing Transactions" under (and as defined in) the Senior Secured Notes Indenture as in effect on the Effective Date and the issuance of the Senior Secured Notes, (vii) the amount of all other non-cash charges, losses or expenses of the Administrative Borrower and its Restricted Subsidiaries determined on a consolidated basis for such period (including impairment charges or asset write-offs, losses from investments recorded using the equity method, stock-based awards compensation expense or expenses relating to the vesting of warrants), in each case other than (A) any non-cash charge representing amortization of a prepaid cash item that was paid and not expensed in a prior period and (B) any non-cash charge relating to write-offs, write-downs or reserves with respect to accounts receivable or inventory; provided, that if any non-cash charges referred to in this clause (vii) represent an accrual or reserve for potential cash items in any future period, the cash payment in respect thereof in such future period shall be subtracted from Consolidated EBITDA in such future period to such extent paid, (viii) proceeds of business interruption insurance, (ix) any costs or expenses incurred pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the Administrative Borrower or net cash proceeds of an issuance of Equity Interests of the Administrative Borrower (other than Disqualified Preferred Stock and Designated Preferred Stock), (x) expenses to the extent covered by contractual indemnification or refunding provisions in favor of the Administrative Borrower or a Restricted Subsidiary in connection with any Permitted Acquisition, other Investment or any disposition of assets permitted under this Agreement, to the extent actually paid or refunded in cash by a third party other than the Administrative Borrower or a Restricted Subsidiary, (xi) unrealized losses on Interest Rate Protection Agreements and other Hedge Agreements, (xii) the amount of dividends and distributions actually paid in cash to the Administrative Borrower or any Restricted Subsidiary by Unrestricted Subsidiaries, (xiii) restructuring charges, accruals or reserves incurred or accrued during such period (including restructuring costs related to acquisitions after the Effective Date and to closure/consolidation of operations and retention charges); provided, that in no event shall the sum of the amounts added back pursuant to this clause (xiii) for any period, together with amounts added back pursuant to clause (iv) above for such period, exceed \$5,000,000, and (xiv) charges, accruals or reserves incurred or accrued during such period related to changes in operating format, and (B) subtracting therefrom (to the extent not otherwise deducted in determining Consolidated Net Income for such period) (i) the amount of all cash payments or cash charges made (or incurred) by the Administrative Borrower or any of its Restricted Subsidiaries for such period on account of any non-cash charges added back to Consolidated EBITDA pursuant to preceding sub-clause (A) (vii) in a previous period (excluding any non-cash gain to the extent it represents the reversal of an accrual or reserve for a potential cash item that reduced Consolidated EBITDA in any prior period), (ii) any amount which, in the determination of Consolidated Net Income for such period, has been added for unrealized gains on Interest Rate Protection Agreements and other Hedge Agreements and (iii) any gains in respect of pension or other post-retirement benefits or pension assets during such period. For the avoidance of doubt, it is understood and agreed that, to the extent any amounts are excluded from Consolidated Net Income by virtue of the proviso to the definition thereof contained herein, any add backs to Consolidated Net Income in determining Consolidated EBITDA as provided above shall be limited (or denied) in a fashion consistent with the proviso to the definition of Consolidated Net Income contained herein.

"Consolidated Interest Expense" shall mean, for any period, (i) the total consolidated cash interest expense, net of cash interest income, of the Administrative Borrower and its Restricted Subsidiaries (including, without limitation, all commissions, discounts and other commitment and banking fees and charges (e.g., fees with respect to letters of credit, Interest Rate Protection Agreements and other Hedge Agreements) for such period, adjusted to exclude (to the extent same would otherwise be included in the calculation above in this clause (i)) (x) the amortization of any upfront fees for any incurrence or issuance of Indebtedness, deferred financing costs for such period and any interest expense actually "paid in kind" or accreted during such period and (y) interest expense in respect of any Parity Lien Debt, Junior Lien Debt, Permitted Subordinated Debt or Permitted Unsecured Debt that have been defeased or satisfied and discharged in accordance with the applicable agreement or indenture or with respect to which the required deposit has been made in connection with a call for repurchase or redemption to occur within the time period set forth in the applicable agreement or indenture, in each case to the extent such transactions are permitted by Section 9.09), plus (ii) without duplication, (x) that portion of Capitalized Lease Obligations of the Administrative Borrower and its Restricted Subsidiaries on a consolidated basis representing the interest factor for such period, (y) the "deemed interest expense" (i.e., the interest expense which would have been applicable if the respective obligations were structured as on-balance sheet financing arrangements) with respect to all Indebtedness of the Administrative Borrower and its Restricted Subsidiaries under all net obligations under any Interest Rate Protection Agreement or any other Hedging Agreement (to the extent same does not arise from a financing arrangement constituting an operating lease) for such period and (z) the amount of all cash Dividend requirements (whether or not declared or paid) on Disqualified Preferred Stock and Designated Preferred Stock of the Administrative Borrower, as the case may be, paid, accrued or scheduled to be paid or accrued during such period.

"Consolidated Net Income" shall mean, for any period, the net income (or loss) of the Administrative Borrower and its Restricted Subsidiaries determined on a consolidated basis for such period (taken as a single accounting period) in accordance with GAAP; provided, that the following items shall be excluded in computing Consolidated Net Income (without duplication): (i) the net income (or loss) of any Person in which a Person or Persons other than the Administrative Borrower and its Wholly-Owned Restricted Subsidiaries has an Equity Interest or Equity Interests, except to the extent of the amount of the dividends or distributions actually paid in cash to the Administrative Borrower or any of its Wholly-Owned Restricted Subsidiaries by such Person, (ii) except for determinations expressly required to be made on a Pro Forma Basis, the net income (or loss) of any Person accrued prior to the date it becomes a Restricted Subsidiary or all or substantially all of the property or assets of such Person are acquired by a Restricted Subsidiary and (iii) the net income of any Restricted Subsidiary to the extent that the declaration or payment of cash dividends or similar cash distributions by such Restricted Subsidiary of such net income is not at the date of determination permitted by the operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule, governmental regulation or law applicable to such Restricted Subsidiary, unless such restriction (x) has been legally waived or otherwise released, (y) is imposed pursuant to this Agreement and the other Credit Documents or the Senior Secured Notes Indenture or (z) arises pursuant to an agreement or instrument if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Credit Parties than the encumbrances and restrictions contained in the Credit Documents (as determined by the Administrative Borrower in good faith), and in each case, except to the extent of the amount of payments or other dividends actually paid to the Administrative Borrower or any of its Restricted Subsidiaries.

"Contingent Obligation" shall mean, as to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that does not constitute Indebtedness ("primary obligations") of any other Person (the "primary obligor"), including any obligation of such Person, whether or not contingent: (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (b) to advance or supply funds (i) for the purchase or payment of any such primary obligation or (ii) to maintain working the working

capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, or (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determinable amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof (assuming such Person is required to perform thereunder) as determined by such Person in good faith.

“Covered Entity” shall mean any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

“Credit Documents” shall mean this Agreement, the Guaranty, the Pledge Agreement, the Security Agreement, the Revolver Intercreditor Agreement, the Borrowing Base Certificates, the Fee Letter, the Letters of Credit, any note or notes executed by the Borrowers in connection with this Agreement and payable to any Lender, and, after the execution and delivery thereof pursuant to the terms of this Agreement, each other Security Document. No Bank Product Agreement shall be included as a Credit Document.

“Credit Event” shall mean the making of any Loan or the issuance of any Letter of Credit.

“Credit Party” shall mean each Borrower and each Subsidiary Guarantor.

“Daily Balance” shall mean, as of any date of determination and with respect to any Obligation, the amount of such Obligation owed at the end of such day.

“Daily Simple SOFR” shall mean, with respect to any applicable determination date, SOFR published on such date on the Federal Reserve Bank of New York’s website (or any successor source).

“Debt Repurchase” shall have the meaning provided in Section 9.09(iv).

“Debtor Relief Laws” shall mean the Bankruptcy Code, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect.

“Default” shall mean any event, act or condition which with notice or lapse of any applicable grace period hereunder, or both, would constitute an Event of Default.

“Default Right” shall have the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

“Defaulted Lender” shall mean any Lender that (a) has failed to fund any amounts required to be funded by it under this Agreement on the date that it is required to do so under this Agreement (including the failure to make available to Administrative Agent amounts required pursuant to a Settlement or to make a required payment in connection with a Letter of Credit Disbursement), (b) notified the Administrative Borrower, Administrative Agent or any Lender in writing that it does not intend to comply with all or any portion of its funding obligations under this Agreement, (c) has made a public statement to the effect that it does not intend to comply with its funding obligations under this Agreement or under other agreements generally (as reasonably determined by Administrative Agent) under which it has committed to extend credit, (d) failed, within one (1) Business Day after written request by Administrative Agent, to

confirm that it will comply with the terms of this Agreement relating to its obligations to fund any amounts required to be funded by it under this Agreement, (e) otherwise failed to pay over to Administrative Agent or any other Lender any other amount required to be paid by it under this Agreement on the date that it is required to do so under this Agreement, or (f) (i) becomes or is insolvent or has a parent company that has become or is insolvent or (ii) becomes the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, or custodian or appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment or has a parent company that has become the subject of a bankruptcy or insolvency proceeding, or has had a receiver, conservator, trustee, or custodian appointed for it, or has taken any action in furtherance of, or indicating its consent to, approval of or acquiescence in any such proceeding or appointment.

“Designated Account” shall mean the deposit account of the Administrative Borrower (located within the United States) that has been designated as such, in writing, by the Administrative Borrower to Administrative Agent.

“Designated Account Bank” shall mean Bank of America, N.A., whose ABA number is 111-000-012.

“Designated Non-Cash Consideration” shall mean the Fair Market Value (as determined in good faith by the Administrative Borrower) of non-cash consideration received by the Administrative Borrower or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to an officer's certificate, setting forth the basis of such valuation, less the amount of cash or Cash Equivalents received in connection with a subsequent payment, redemption, retirement, sale or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with Section 9.02.

“Designated Preferred Stock” shall mean Preferred Equity of the Administrative Borrower (other than Disqualified Preferred Stock) that is issued for cash (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Administrative Borrower or any of its Subsidiaries) and is so designated as Designated Preferred Stock, pursuant to an officer's certificate executed by the principal financial officer of the Administrative Borrower, on the issuance date thereof.

“Designated Sales” shall mean, at any time of determination, (a) [reserved], (b) the sale of all or a portion of the businesses, properties, assets and operations of Interactive One, LLC (in each case to the extent related to the internet businesses of such Persons), and (c) the sale of any other assets or businesses of the Administrative Borrower and its Restricted Subsidiaries (other than assets included in the Borrowing Base (only to the extent that Availability is less than \$5,000,000) the Equity Interests of any Person, unless all of the Equity Interests of such Person are so sold), so long as the aggregate amount of Consolidated EBITDA attributable to (and derived from) all such assets and businesses sold in reliance on this subclause (c) (measured, for any such sale, for the Calculation Period most recently ended prior to such sale) does not exceed \$2,500,000 during the then most recently ended Calculation Period, with such calculation to be set forth (in reasonable detail) in an officer's certificate from an Authorized Officer delivered to the Administrative Agent at the time of the respective sale.

“Dilution” shall mean, as of any date of determination, a percentage, based upon the experience of the immediately prior period of not less than ninety (90) or more than three hundred sixty-five (365) consecutive days, that is the result of dividing the Dollar amount of (a) bad debt write-downs, discounts, advertising allowances, credits, or other dilutive items with respect to the Borrowers' Accounts



during such period, by (b) the Borrowers' billings with respect to Accounts during such period, as determined by the Administrative Agent in its Permitted Discretion.

"Dilution Reserve" shall mean, as of any date of determination, an amount sufficient to reduce the advance rate against Eligible Accounts by one (1) percentage point for each percentage point by which Dilution is in excess of five percent (5%).

"Disinterested Director" means, with respect to any Affiliate Transaction, a member of the board of directors of the Administrative Borrower having no material direct or indirect financial interest in or with respect to such Affiliate Transaction. A member of the board of directors of the Administrative Borrower shall be deemed not to have such a financial interest by reason of such member's holding Equity Interests of the Administrative Borrower or any options, warrants or other rights in respect of such Equity Interests.

"Disqualification" shall mean: (a) any final determination by a Gaming Authority pursuant to applicable Gaming Laws: (i) that a Lender is "unsuitable" as a lender to the Borrowers; (ii) that such Lender shall be "disqualified" as a lender to the Borrowers; or (iii) denying the issuance to that Lender of any license or other approval required under applicable Gaming Laws to be held by all Lenders to the Borrowers; or (b) any Gaming Authority has notified the Borrowers that if a Lender continues to be a lender to the Borrowers it will result in the suspension or revocation of a Gaming License.

"Disqualified Institutions" shall mean those Persons that are (a) competitors of the Administrative Borrower and its Subsidiaries identified in writing by the Administrative Borrower to the Administrative Agent as being excluded from the definition of "Eligible Transferee" hereunder (and any such competitors' Affiliates (other than Affiliates that are bona fide debt funds that are engaged in making or purchasing commercial loans in the ordinary course of business)) that are either identified in writing by the Administrative Borrower to the Administrative Agent as being excluded from the definition of "Eligible Transferee" hereunder or that are readily identifiable as an Affiliate of such competitor on the basis of their name (provided, that the Administrative Agent shall have no obligation to carry out due diligence in order to identify such Subsidiaries) or (b) those banks, financial institutions and other entities separately identified by the Administrative Borrower in writing to the Administrative Agent on or prior to the Effective Date. The Administrative Borrower shall make available a list of the Disqualified Institutions to the Lenders and the Administrative Agent, and shall confirm, upon the written request of the Administrative Agent or any Lender, whether a particular Person is a Disqualified Institution.

"Disqualified Preferred Stock" shall mean any Preferred Equity of the Administrative Borrower that, by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable), or upon the happening of any event, (a) matures or is mandatorily redeemable for cash or in exchange for Indebtedness pursuant to a sinking fund obligation or otherwise, (b) is or may become (in accordance with its terms) upon the occurrence of certain events or otherwise redeemable at the option of holder thereof (other than solely for Borrower Common Stock or Qualified Preferred Stock), in whole or in part, or is required to be repurchased by the Administrative Borrower or any Restricted Subsidiary, in whole or in part, at the option of the holder thereof or (c) is or becomes convertible into or exchangeable, either mandatorily or at the option of the holder thereof, for Indebtedness or any other Equity Interests (other than solely Borrower Common Stock or Qualified Preferred Stock), in each case, prior to Latest Maturity Date, except, in the case of clauses (a) and (b), if as a result of a "change of control" or "asset sale", so long as any rights of the holders thereof upon the occurrence of such a change of control or asset sale event are subject to the prior payment in full of the Loans and all other Obligations (other than unasserted contingent indemnification obligations) and the termination of the Commitments.

"Dividend" shall mean, with respect to any Person, that such Person has declared or paid a dividend, distribution or returned any equity capital to its stockholders, partners or members or authorized or made any other distribution, payment or delivery of property (other than common Equity Interests of such Person) or cash to its stockholders, partners or members in their capacity as such, or redeemed, retired, purchased or otherwise acquired, directly or indirectly, for a consideration any shares of any class of its Equity Interests outstanding on or after the Effective Date (or any options or warrants issued by such Person with respect to its Equity Interests), or set aside any funds for any of the foregoing purposes.

"Documents" shall mean, collectively, (a) the Credit Documents, (b) the Senior Secured Notes Documents, (c) after the Effective Date, the Permitted Subordinated Debt Documents and the Permitted Unsecured Debt Documents, and (d) after the Effective Date, any other Parity Lien Documents or the Junior Lien Documents.

"Dollars" and the sign "\$" shall each mean freely transferable lawful money of the United States.

"Domestic Restricted Subsidiary" of any Person shall mean any Domestic Subsidiary of such Person that is also a Restricted Subsidiary of such Person.

"Domestic Subsidiary" of any Person shall mean any Subsidiary of such Person incorporated or organized in the United States or any State or territory thereof or the District of Columbia.

"Domestic Unrestricted Subsidiary" of any Person shall mean any Unrestricted Subsidiary of such Person which is a Domestic Subsidiary of such Person.

"EEA Financial Institution" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"EEA Member Country" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"EEA Resolution Authority" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegatee) having responsibility for the resolution of any EEA Financial Institution.

"Effective Date" shall have the meaning provided in Section 12.10.

"Eligible Accounts" shall mean those Accounts created by each Borrower in the ordinary course of its business, that arise out of such Borrower's sale of goods or rendition of services, that comply in all material respects with each of the representations and warranties respecting Eligible Accounts made in the Credit Documents, and that are not excluded as ineligible by virtue of one (1) or more of the excluding criteria set forth below. In determining the amount to be included, Eligible Accounts shall be calculated net of customer deposits, unapplied cash, taxes, discounts, credits, allowances, billing and miscellaneous adjustments, and rebates. Eligible Accounts shall not include the following:

- (a) Accounts that the Account Debtor has failed to pay within ninety (90) days of original invoice date,

(b) Accounts owed by an Account Debtor (or its Affiliates) where fifty percent (50%) or more of all Accounts owed by that Account Debtor (or its Affiliates) are deemed ineligible under clause (a) above,

(c) Accounts with respect to which the Account Debtor is an Affiliate of any Borrower or an employee or agent of any Borrower or any Affiliate of any Borrower,

(d) Accounts arising in a transaction wherein goods are placed on consignment or are sold pursuant to a guaranteed sale, a sale or return, a sale on approval, a bill and hold, or any other terms by reason of which the payment by the Account Debtor may be conditional,

(e) Accounts that are not payable in Dollars,

(f) Accounts with respect to which the Account Debtor either (i) does not maintain its chief executive office in the United States, or (ii) is not organized under the laws of the United States or any state thereof, or (iii) is the government of any foreign country or sovereign state, or of any state, province, municipality, or other political subdivision thereof, or of any department, agency, public corporation, or other instrumentality thereof, unless (A) the Account is supported by an irrevocable letter of credit reasonably satisfactory to Administrative Agent (as to form, substance, and issuer or domestic confirming bank) that has been delivered to Administrative Agent and is directly drawable by Administrative Agent, or (B) the Account is covered by credit insurance in form, substance, and amount, and by an insurer, reasonably satisfactory to Administrative Agent; provided, that (A) the maximum aggregate amount of Eligible Accounts that may be considered eligible under this clause (f) shall not exceed \$1,000,000 in the aggregate at any time, and (B) the maximum aggregate amount of Eligible Accounts that may be considered eligible under this clause (f) and the below clause (g) shall not exceed \$2,000,000 in the aggregate at any time,

(g) Accounts with respect to which the Account Debtor is either (i) the United States or any department, agency, or instrumentality of the United States (exclusive, however, of Accounts with respect to which a Borrower has complied, to the reasonable satisfaction of Administrative Agent, with the Assignment of Claims Act, 31 USC §3727), or (ii) any state of the United States; provided, that the maximum aggregate amount of Eligible Accounts that may be considered eligible under this clause (g) and the above clause (f) shall not exceed \$2,000,000 in the aggregate at any time,

(h) Accounts with respect to which the Account Debtor is a creditor of a Borrower, has or has asserted a right of recoupment or setoff, or has disputed its obligation to pay all or any portion of the Account, in each case, solely to the extent of such claim, right of recoupment or setoff, or dispute,

(i) Accounts with respect to an Account Debtor whose total obligations owing to the Borrowers exceed ten percent (10%) of all Eligible Accounts, to the extent of the obligations owing by such Account Debtor in excess of such percentage; provided, that, in each case, the amount of Eligible Accounts that are excluded because they exceed the foregoing percentage shall be determined by Administrative Agent based on all of the otherwise Eligible Accounts prior to giving effect to any eliminations based upon the foregoing concentration limit,

(j) Accounts with respect to which the Account Debtor is subject to an Insolvency or Liquidation Proceeding, is not Solvent, has gone out of business, or as to which a Borrower has received notice of an imminent Insolvency or Liquidation Proceeding or a material impairment of the financial condition of such Account Debtor,

(k) Accounts, the collection of which, Administrative Agent, in its Permitted Discretion, believes to be doubtful, including by reason of the Account Debtor's financial condition,

(l) Accounts that are not subject to a valid and perfected first priority Administrative Agent's Lien (subject to Liens permitted under clauses (i), (ii), (vii), (xi), (xvi) and (xvii) of Section 9.01),

(m) Accounts with respect to which (i) the goods giving rise to such Account have not been shipped and billed to the Account Debtor, or (ii) the services giving rise to such Account have not been performed and billed to the Account Debtor,

(n) Accounts with respect to which the Account Debtor is subject to Sanctions,

(o) Accounts that represent the right to receive progress payments or other advance billings that are due prior to the completion of performance by a Borrower of the subject contract for goods or services,

(p) Accounts that were acquired by a Borrower in connection with an Acquisition or other Investment permitted hereunder, until the completion of a field examination and confirmation of such Accounts, reasonably satisfactory to Administration Agent, or

(q) Accounts owed by an Account Debtor that is an individual or natural person.

"Eligible Transferee" shall mean any Person, but in any event excluding (i) the Administrative Borrower and its Affiliates and (ii) Disqualified Institutions. "Eligible Transferee" shall not include at any time any Defaulted Lender or subject to a Disqualification or any natural person.

"Environmental Claims" shall mean any and all administrative, regulatory or judicial actions, suits, demands, demand letters, directives, claims, liens, notices of noncompliance or violation, investigations and/or proceedings relating in any way to any noncompliance with, or liability arising under, Environmental Law or any permit issued, or any approval given, under any such Environmental Law (hereafter, "Claims"), including, without limitation, (a) any and all Claims by governmental or regulatory authorities for enforcement, cleanup, removal, response, remedial or other actions or damages pursuant to any applicable Environmental Law, and (b) any and all Claims by any third party seeking damages, contribution, indemnification, cost recovery, compensation or injunctive relief arising out of or relating to an alleged injury or threat of injury to human health, safety or the environment due to the presence of Hazardous Materials.

"Environmental Law" shall mean any applicable federal, state, local or foreign law (including principles of common law), rule, regulation, ordinance, code, directive, judgment, order or agreement, now or hereafter in effect and in each case as amended, and any judicial or administrative interpretation thereof having the force of law, relating to the protection of the environment or of human health (as it relates to the exposure to environmental hazards) or to the presence, Release or threatened Release, or the manufacture, use, transportation, treatment, storage, disposal or recycling of Hazardous Materials, or the arrangement for any such activities.

"Equity Interests" of any Person shall mean any and all shares of, rights to purchase, warrants, options or depository receipts for, or other equivalents of or partnership or other interests in (however designated) equity of such Person, including any Preferred Equity, but excluding any debt securities convertible into, or exchangeable for, such equity, unless and until any such instruments are so converted or exchanged.

"ERISA" shall mean the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time.

"ERISA Affiliate" shall mean any person that for purposes of Title I or Title IV of ERISA or Section 412 of the Code would be deemed at any relevant time to be a single employer or otherwise aggregated with the Administrative Borrower or a Subsidiary of the Administrative Borrower under Section 414(b) or (c) of the Code or Section 4001 of ERISA.

"ERISA Event" shall mean any one (1) or more of the following:

- (a) any Reportable Event;
- (b) the filing of a notice of intent to terminate any Plan, if such termination would require material additional contributions in order to be considered a standard termination within the meaning of Section 4041(b) of ERISA, the filing under Section 4041(c) of ERISA of a notice of intent to terminate any Plan or the termination of any Plan under Section 4041(c) of ERISA;
- (c) the institution of proceedings, or the occurrence of an event or condition which would reasonably be expected to constitute grounds for the institution of proceedings by the PBGC under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan;
- (d) the failure to make a required contribution to any Plan that would result in the imposition of a lien or other encumbrance or the provision of security under Section 430 of the Code or Section 303 or 4068 of ERISA, or the arising of such a lien or encumbrance; there being or arising any "unpaid minimum required contribution" or "accumulated funding deficiency" (as defined or otherwise set forth in Section 4971 of the Code or Part 3 of Subtitle B of Title I of ERISA), whether or not waived; or the filing of any request for or receipt of a minimum funding waiver under Section 412 of the Code with respect to any Plan, or that such filing may be made;
- (e) assuming the accuracy of the representations in Section 12.25, engaging in a non-exempt prohibited transaction within the meaning of Section 4975 of the Code or Section 406 of ERISA;
- (f) the complete or partial withdrawal of the Administrative Borrower, any Subsidiary of the Administrative Borrower or any ERISA Affiliate from a Multiemployer Plan, the insolvency under Title IV of ERISA of any Multiemployer Plan; or the receipt by the Administrative Borrower, any Subsidiary of the Administrative Borrower or any ERISA Affiliate, of any notice, or the receipt by any Multiemployer Plan from the Administrative Borrower, any Subsidiary of the Administrative Borrower or any ERISA Affiliate of any notice, that a Multiemployer Plan is in endangered or critical status under Section 305 of ERISA; or
- (g) the Administrative Borrower, a Subsidiary of the Administrative Borrower or an ERISA Affiliate incurring any liability under Title IV of ERISA with respect to any Plan (other than premiums due and not delinquent under Section 4007 of ERISA).

"EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"Event of Default" shall have the meaning provided in Section 10.

"Excess Revolving Loans" shall have the meaning provided in Section 2.03(b).

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

“Excluded Assets” shall mean:

- (a) all Real Property;
- (b) any lease, contract, instrument or property right to which any Credit Party is a party, if and only for so long as the grant of a security interest shall constitute or result in a breach, termination, impairment or default under any such lease, contract or property right (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC or any other applicable law or principles of equity), but in each case:
  - (i) only to the extent each such Credit Party is contractually prohibited from creating a Lien on the Effective Date or the date such lease, contract, instrument or property right was acquired, created or effective (so long as such prohibition was not expressly negotiated in anticipation of such acquisition), and
  - (ii) any security interest securing Obligations owing to Lenders shall attach immediately to any portion of such lease, contract or property right without further action of the Lenders at any time or from time to time, so long as such security interest does not result, or would no longer result, in any of the consequences specified above;
- (c) any lease, contract, instrument or property right to which any Borrower or any Subsidiary Guarantor is a party and any other asset, in each case, if and only for so long as the grant of a security interest shall violate any applicable law;
- (d) any License to which any Credit Party is a party, grantee or beneficiary, if and only for so long as either
  - (x) each such Credit Party is prohibited from granting a security interest therein under applicable provisions of the Communications Act or any other applicable law, or
  - (y) the grant of a security interest shall constitute or result in a breach, termination or default under any such License; provided, that:
    - (i) Excluded Assets shall not include any rights and remedies incident or appurtenant to any such Licenses or any rights to receive any or all proceeds derived from, or in connection with, any Asset Sale of all or any portion of any such Licenses or any Station, and
    - (ii) any security interests securing Obligations owing to Lenders shall attach immediately to any portion of such Licenses without further action of the Lenders at any time or from time to time, so long as such attachment does not result, or would no longer result, in any of the consequences specified above;
- (e) fixed or capital assets owned by any Borrower or any Subsidiary Guarantor that is subject to a purchase money Lien or a Capitalized Lease Obligation permitted under this Agreement if the contractual obligation pursuant to which such Lien is granted (or in the document providing for such Capitalized Lease Obligation or the acquisition of such asset subject to such purchase money Lien) prohibits or requires the consent of any Person other than the Administrative Borrower and its Affiliates (to the extent such consent has not been obtained) as a condition to the creation of any other Lien on such asset;
- (f) any Leaseholds;
- (g) all Excluded Equity Interests;

- (h) motor vehicles and other assets subject to certificates of title;
- (i) assets as to which the costs of obtaining a security interest are excessive (as reasonably determined by the Collateral Agent in writing) in relation to the value of the security afforded thereby;
- (j) any Commercial Tort Claims (as defined in the Security Agreement) not in excess of \$2,000,000 individually;
- (k) any Letter-of-Credit Rights (as defined in the Security Agreement) with a stated amount of less than \$3,000,000;
- (l) cash pledged to secure letter of credit reimbursement obligations to the extent such secured letters of credit are permitted under this Agreement;
- (m) any Excluded Deposit Accounts (as defined in the Security Agreement); and
- (n) any "intent to use" trademark applications for which a verified statement of use has not been filed with, and accepted by, the United States Patent and Trademark Office or any asset or intellectual property (including copyrights, trademarks and patents) if the grant of a security interest in or Lien upon such intellectual property would result in the cancellation, voiding, invalidation or impairment of such intellectual property; provided, that a grant of security interest shall be made (in accordance with the Security Agreement) in such "intent to use" applications once a verified statement of use has been filed with, and accepted by, the United States Patent and Trademark Office or such asset or intellectual property once it can be granted without resulting in cancellation, voiding, invalidation, or impairment thereof.

"Excluded Contributions" shall mean Net Cash Proceeds or property or assets received by the Administrative Borrower as capital contributions to the equity (other than through the issuance of Disqualified Preferred Stock) of the Administrative Borrower after the Effective Date or from the issuance or sale (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by any Borrower or any Subsidiary of the Administrative Borrower for the benefit of their employees to the extent funded by such Borrower or any Restricted Subsidiary) of Equity Interests (other than Disqualified Preferred Stock) of the Administrative Borrower, to the extent designated as an Excluded Contribution pursuant to an officer's certificate of the Administrative Borrower.

"Excluded Equity Interests" shall mean (a) all Equity Interests in any Subsidiary of an Unrestricted Subsidiary; (b) Equity Interests in any Subsidiary of a Person that is (i) a CFC or (ii) a FSHCO, in each case, representing more than 65% of its issued and outstanding Voting Stock; (c) [reserved]; (d) all Equity Interests in any Subsidiary acquired subject to assumed Indebtedness permitted by this Agreement if such Equity Interests are pledged and/or mortgaged as security for such Indebtedness and if and for so long as the terms of such Indebtedness prohibit the creation of any other Lien on such Equity Interests; (e) all Equity Interests of any Subsidiary the pledge of which is prohibited by applicable laws; and (f) all non-majority Equity Interests in Persons that are not Subsidiaries of the Administrative Borrower or any of its Restricted Subsidiaries but only to the extent such Person is, or its equity holders are, contractually prohibited from creating a Lien in such Equity Interests, so long as the Administrative Borrower (i) does not encourage the creation of any contractual prohibitions and (ii) requests no such contractual prohibitions be instituted (other than in each of (i) and (ii) preceding, those contractual prohibitions in existence on the Effective Date); provided that to the extent the Administrative Borrower receives all necessary gaming commission approval as required under applicable law, the National Harbor Equity Interest shall not constitute Excluded Equity Interests pursuant to this clause (f).

"Excluded Subsidiary" shall mean (i) an Unrestricted Subsidiary, (ii) an Immaterial Subsidiary, or (iii) a Subsidiary of the Administrative Borrower that is a CFC or a FSHCO. Notwithstanding anything herein to the contrary, to the extent that any Borrower (other than the Administrative Borrower) becomes an Excluded Subsidiary, such Borrower shall cease to be a Borrower hereunder and under the other Credit Documents.

"Excluded Swap Obligation" shall mean, with respect to any Subsidiary Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Subsidiary Guarantor of, or the grant by such Subsidiary Guarantor of a security interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal or unlawful under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Subsidiary Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act at the time the guarantee of such Subsidiary Guarantor or the grant of such security interest would otherwise have become effective with respect to such related Swap Obligation but for such Subsidiary Guarantor's failure to constitute an "eligible contract participant" at such time. If a Swap Obligation arises under a master agreement governing more than one (1) swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

"Excluded Taxes" shall mean any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes; (b) in the case of a Lender, any U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect at the time such Lender (i) acquires such interest in the Loan or Commitment (other than at the request of the Administrative Borrower under Section 2.12) or (ii) designates a new lending office (other than at the request of the Administrative Borrower under Section 2.12), except, in each case, to the extent that, pursuant to Section 4.04, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office; (c) Taxes attributable to such Recipient's failure to comply with Section 4.04(f) or (g); and (d) any withholding Taxes imposed by FATCA.

"Existing Letters of Credit" shall mean those letters of credit set forth on Schedule 3.01.

"Fair Market Value" may be conclusively established by means of an officer's certificate or resolutions of the board of directors of the Administrative Borrower setting out such fair market value as determined by such officer or such board of directors in good faith.

"FATCA" shall mean Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version to the extent that such version is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code, and any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement, treaty or convention among Governmental Authorities entered into in connection with the implementation of the foregoing.

"FCC" shall mean the Federal Communications Commission (or any successor agency, commission, bureau, department or other political subdivision of the United States of America).



“FCC License” shall mean any radio or television broadcast service license, community antenna relay service license, broadcast auxiliary license, earth station registration, business radio, microwave, special safety radio service license or other license, permit, authorization or certificate issued by the FCC pursuant to the Communications Act.

“Federal Funds Rate” shall mean, for any day, the rate of interest per annum (rounded upwards, if necessary, to the nearest whole multiple of one one-hundredth of one percent (1/100 of 1%)) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided, that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day and (b) if no such rate is so published on such next preceding Business Day, the Federal Funds Rate for such day shall be the average rate quoted to Administrative Agent on such day on such transactions as determined by Administrative Agent

“Fee Letter” shall mean that certain fee letter, dated as of even date with the Agreement, between the Borrowers and Administrative Agent, in form and substance reasonably satisfactory to Administrative Agent.

“Fees” shall mean all amounts payable pursuant to or referred to in Section 3.01.

“Financial Covenant Triggering Event” shall mean the failure of the Borrowers to maintain Availability equal to or greater than the greater of (x) fifteen percent (15%) of the Revolving Loan Limit and (y) \$7,500,000 at any time. For purposes hereof, the occurrence of a Financial Covenant Triggering Event shall be deemed continuing until Availability has equaled or exceeded the greater of (x) fifteen percent (15%) of the Revolving Loan Limit and (y) \$7,500,000 for thirty (30) consecutive days, in which case, a Financial Covenant Triggering Event shall no longer be deemed to be continuing for purposes of this Agreement.

“Fiscal Quarter” shall mean, for any Fiscal Year, (a) the fiscal period commencing on January 1 of such Fiscal Year and ending on March 31 of such Fiscal Year, (b) the fiscal period commencing on April 1 of such Fiscal Year and ending on June 30 of such Fiscal Year, (c) the fiscal period commencing on July 1 of such Fiscal Year and ending on September 30 of such Fiscal Year and (d) the fiscal period commencing on October 1 of such Fiscal Year and ending on December 31 of such Fiscal Year.

“Fiscal Year” shall mean the fiscal year of the Administrative Borrower and its Restricted Subsidiaries ending on December 31 of each calendar year.

“Fixed Charge Coverage Ratio” shall mean, with respect to any period, the ratio of (a) Consolidated EBITDA for such period, minus the sum of (i) non-financed Capital Expenditures made (to the extent not already incurred in a prior period) or incurred during such period, (ii) all federal, state and local income taxes paid, or required to be paid, in cash during such period, and (iii) the amount of cash spent during such period to purchase or acquire cable television programming for distribution less amortization during such period of the acquired content purchase cost, to (b) Fixed Charges.

“Fixed Charges” shall mean, with respect to any period and with respect to the Administrative Borrower and its Restricted Subsidiaries determined on a consolidated basis in accordance with GAAP, the sum, without duplication, of (a) Consolidated Interest Expense paid or required to be paid during such period in cash, (b) all scheduled principal payments in respect of Indebtedness (as such principal payments may be reduced by (i) mandatory prepayments in respect of proceeds from sale of assets and (ii) voluntary prepayments so long as such voluntary prepayments are made with cash or other amounts

non constituting proceeds of Revolving Loans hereunder) that are paid or required to be paid in cash during such period, (c) all Restricted Payments paid in cash during such period and (d) solely to the extent such cash used is from the proceeds of a substantially simultaneous Borrowing of Revolving Loans, all cash paid to the Richmond Project pursuant to Section 9.05(xvii) during such period.

“Foreign Lender” shall have the meaning provided in Section 4.04(f)(ii)(B).

“Foreign Pension Plan” shall mean any plan, fund (including, without limitation, any superannuation fund) or other similar program established or maintained outside the United States by the Administrative Borrower or any one (1) or more of its Subsidiaries primarily for the benefit of employees of the Administrative Borrower or such Subsidiaries residing outside the United States, which plan, fund or other similar program provides, or results in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination of employment, and which plan is not subject to ERISA or the Code.

“Foreign Restricted Subsidiary” shall mean, as to any Person, any Foreign Subsidiary of such Person that is also a Restricted Subsidiary of such Person.

“Foreign Subsidiary” shall mean, with respect to any Person, any Subsidiary of such Person that is not organized or existing under the laws of the United States, any state thereof or the District of Columbia, and any Subsidiary of such Subsidiary.

“FSHCO” shall mean an entity that owns no material assets other than Equity Interests (or Equity Interests and debt interests) of one or more CFCs.

“Funding Date” shall mean the date on which a Borrowing occurs.

“GAAP” shall mean generally accepted accounting principles in the United States of America as in effect on the date of any calculation or determination required hereunder. Except as otherwise set forth in this Agreement, all ratios and calculations based on GAAP contained in this Agreement shall be computed in accordance with GAAP. At any time after the Effective Date, the Administrative Borrower may elect to establish that GAAP shall mean GAAP as in effect on the date of such election; provided that any such election, once made, shall be irrevocable. At any time after the Effective Date, the Administrative Borrower may elect to apply IFRS accounting principles in lieu of GAAP and, upon any such election, references herein to GAAP shall thereafter be construed to mean IFRS (except as otherwise provided in this Agreement), including as to the ability of the Administrative Borrower to make an election pursuant to the previous sentence; provided that any such election, once made, shall be irrevocable; provided, further, that any calculation or determination in this Agreement that require the application of GAAP for periods that include Fiscal Quarters ended prior to the Administrative Borrower’s election to apply IFRS shall remain as previously calculated or determined in accordance with GAAP; provided, further again, that the Administrative Borrower may only make such election if it also elects to report any subsequent financial reports required to be made by the Administrative Borrower, including pursuant to Section 13 or Section 15(d) of the Exchange Act and the covenants set forth under Section 8.01 hereof, in IFRS. The Administrative Borrower shall give written notice of any such election made in accordance with this definition to the Administrative Agent.

“Gaming Authority” shall mean the applicable board, commission, or other Governmental Authority, including but not limited to the Maryland Lottery and Gaming Control Commission, which (a) has, or may at any time have, regulatory, licensing or permitting authority or jurisdiction over any Credit Party or any of its Subsidiaries or any of their respective gambling, wagering or gaming businesses or operations, or any successor to such authority or (b) is, or may at any time be, responsible for interpreting,

administering and enforcing the Gaming Laws in any jurisdiction in which any Credit Party or any of its Subsidiaries conducts, owns, leases, manages or operates a gaming, wagering or gambling business or holds an equity interest in a Person that conducts, owns, leases, manages or operates a gaming, wagering or gambling business.

“Gaming Laws” shall mean all Laws applicable to the ownership or conduct of a gaming, wagering or gambling business in any jurisdiction, as in effect from time to time, including the rules, regulations, decrees, codes, ordinances, orders, determinations, decisions, policies, interpretations and administration thereof by any Gaming Authority.

“Gaming License” shall mean any gambling, wagering, gaming or other license (including any conditions thereto), qualification, determination, registration, finding of suitability, consent, permit, approval, waiver, ruling, order or exemption or other authorization granted or issued by any Gaming Authority under applicable Gaming Laws that is required to own, lease, operate, manage or otherwise conduct, or own an interest in an entity or manage an entity which owns, leases, operates, manages or otherwise conducts, charitable or other gambling, wagering or gaming activities or operations.

“Going Private Transaction” shall mean the initial occurrence of any of the following after the Effective Date: (a) a Rule 13e-3 transaction (as that term is defined in Rule 13e-3 of the Exchange Act) involving the Administrative Borrower or (b) any transaction that results in the Administrative Borrower being eligible to cease filing reports under Section 13(a) or 15(d) of the Exchange Act with the SEC; provided, that any transaction described in clause (a) or (b) is not a Change of Control.

“Governmental Authority” shall mean the government of the United States of America, any other nation or any political subdivision thereof, whether state, provincial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including the FCC).

“Granting Lender” shall have the meaning provided in Section 12.04(d)

“Guaranty” shall have the meaning provided in Section 5.10.

“Hazardous Materials” shall mean (a) any petroleum or petroleum products, radioactive materials, asbestos in any form that is or could become friable, urea formaldehyde foam insulation, polychlorinated biphenyls, and radon gas; (b) any chemicals, materials, wastes, pollutants, contaminants or substances in any form that is prohibited, limited or regulated pursuant to any Environmental Law by virtue of their toxic or otherwise deleterious characteristics.

“Hedge Agreement” shall mean (a) Interest Rate Protection Agreements and any and all other Swap Contracts, rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master

agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Hedge Obligations" shall mean any and all obligations or liabilities, whether absolute or contingent, due or to become due, now existing or hereafter arising, of the Administrative Borrower or its Restricted Subsidiaries arising under, owing pursuant to, or existing in respect of Hedge Agreements entered into with one (1) or more of the Bank Product Providers.

"Hedge Provider" shall mean any Lender or any of its Affiliates.

"Hughes" shall mean Catherine L. Hughes.

"Immaterial Subsidiary" shall mean, as of any date, any Domestic Restricted Subsidiary of the Administrative Borrower whose total assets, together with all other Domestic Restricted Subsidiaries that are not Credit Parties, as of that date, are less than \$5,000,000 and whose total revenues, together with all other Domestic Restricted Subsidiaries that are not Credit Parties, for the then most recent twelve-month period do not exceed \$5,000,000; provided, that a Domestic Restricted Subsidiary will not be considered to be an Immaterial Subsidiary if it, directly or indirectly, guarantees or otherwise provides direct credit support for any Indebtedness of any Borrower or any Subsidiary Guarantor.

"incur" means issue, create, assume, enter into any guarantee of, incur, extend or otherwise become liable for; provided, however, that any Indebtedness or Equity Interest of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) will be deemed to be incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and the terms "incurred" and "incurrence" have meanings correlative to the foregoing and any Indebtedness pursuant to any revolving credit or similar facility shall only be "incurred" at the time any funds are borrowed thereunder.

"Indebtedness" shall mean, as to any Person, without duplication, (i) the principal of indebtedness of such Person for borrowed money and the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (ii) the principal component of all obligations of such Person to pay the deferred and unpaid purchase price of property (except trade payables), which purchase price is due more than one year after the date of placing such property in service or taking final delivery and title thereto, (iii) all reimbursement obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments (the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit or other instruments plus the aggregate amount of drawings thereunder that have been reimbursed) (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 30 days of incurrence), (iv) the principal component of all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; provided, however, that the amount of such Indebtedness will be the lesser of (x) the fair market value of such asset at such date of determination (as determined in good faith by the Administrative Borrower) and (y) the amount of such Indebtedness of such other Persons, (v) all Capitalized Lease Obligations of such Person, (vi) the principal component of all obligations, or liquidation preference, of such Person with respect to any Disqualified Preferred Stock or, with respect to any Restricted Subsidiary, any Preferred Stock (but excluding, in each case, any accrued dividends), (vii) all Contingent Obligations of such Person and all guarantees by such Person of the principal component of Indebtedness of other Persons to the extent guaranteed by such Person, and (viii) to the extent not otherwise included in this definition, net obligations of such Person under Hedge Hedge Agreements (the amount of any such obligations to be equal at any time to the net payments under such agreement or arrangement giving rise to such obligation that would be payable by such Person at the termination of such agreement or arrangement).

The term "Indebtedness" shall not include any lease, concession or license of property (or guarantee thereof) which would be considered an operating lease under GAAP as in effect on the Effective Date, any prepayments of deposits received from clients or customers in the ordinary course of business, or obligations under any license, permit or other approval (or guarantees given in respect of such obligations) incurred prior to the Effective Date or in the ordinary course of business.

The amount of Indebtedness of any Person at any time in the case of a revolving credit or similar facility shall be the total amount of funds borrowed and then outstanding. The amount of Indebtedness of any Person at any date shall be determined as set forth above or otherwise provided in this Agreement, and (other than with respect to letters of credit or guarantees or Indebtedness specified in clause (iv) above) shall equal the amount thereof that would appear on a balance sheet of such Person (excluding any notes thereto) prepared on the basis of GAAP.

Notwithstanding the above provisions, in no event shall the following constitute Indebtedness:

- (i) Contingent Obligations incurred in the ordinary course of business;
- (ii) Cash Management Services;
- (iii) in connection with the purchase by the Administrative Borrower or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing; provided, however, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid in a timely manner;
- (iv) [reserved]; or
- (v) for the avoidance of doubt, any obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage Taxes.

"Indemnified Person" shall have the meaning provided in Section 12.01(a).

"Indemnified Taxes" shall mean (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrowers under any Credit Document and (b) to the extent not otherwise described in (a), Other Taxes.

"Independent Qualified Party" shall mean an investment banking firm, accounting firm or appraisal firm of national or regional standing; provided, however, that such firm is not an Affiliate of the Administrative Borrower.

"Information" shall have the meaning provided in Section 12.16(a).

"Insolvency or Liquidation Proceeding" shall mean (a) any voluntary or involuntary case or proceeding under the Bankruptcy Code with respect to any Credit Party, (b) any other voluntary or involuntary insolvency, reorganization or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding with respect to any Credit Party or with respect to a material portion of its respective assets, (c) any liquidation, dissolution, reorganization or winding up of any Credit Party whether voluntary or involuntary and whether or not involving insolvency or bankruptcy or (d) any general assignment for the benefit of creditors or any other marshalling of assets and liabilities of any Credit Party.

“Intercompany Debt” shall mean any Indebtedness, whether now existing or hereafter incurred, owed by the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower to the Administrative Borrower or any other Restricted Subsidiary of the Administrative Borrower.

“Intercompany Loans” shall have the meaning provided in Section 9.05(viii).

“Intercompany Note” shall mean a promissory note evidencing Intercompany Loans, duly executed and delivered substantially in the form of Exhibit N (or such other form as shall be satisfactory to the Administrative Agent in its sole discretion), with blanks completed in conformity herewith.

“Intercreditor Agreements” shall mean, as the context requires, the Revolver Intercreditor Agreement, any Parity Lien Intercreditor Agreement (as defined in the Senior Secured Notes Indenture) and any Junior Lien Intercreditor Agreement (as defined in the Senior Secured Notes Indenture).

“Intercreditor Junior Lien Cap” shall mean, as of any date of determination, the greater of (a) \$36,000,000 and (b) 3.0% of Total Assets.

“Interest Period” shall have the meaning provided in Section 2.09.

“Interest Rate Protection Agreement” shall mean any interest rate swap agreement, interest rate cap agreement, interest collar agreement, interest rate hedging agreement or other similar agreement or arrangement.

“Investments” shall mean, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of any direct or indirect advance, loan or other extensions of credit (other than advances or extensions of credit to customers, suppliers, directors, officers or employees of any Person in the ordinary course of business, and excluding any debt or extension of credit represented by a bank deposit other than a time deposit) or capital contribution to (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others), or the incurrence of a guarantee of any obligation of, or any purchase or acquisition of Equity Interests, Indebtedness or other similar instruments issued by, such other Persons and all other items that are or would be classified as investments on a balance sheet prepared on the basis of GAAP; provided, however, that endorsements of negotiable instruments and documents in the ordinary course of business will not be deemed to be an Investment. If the Administrative Borrower or any Restricted Subsidiary issues, sells or otherwise disposes of any Equity Interests of a Person that is a Restricted Subsidiary such that, after giving effect thereto, such Person is no longer a Restricted Subsidiary, any Investment by the Administrative Borrower or any Restricted Subsidiary in such Person remaining after giving effect thereto will be deemed to be a new Investment at such time.

For purposes of this Agreement:

(1) “Investment” will include the portion (proportionate to the Administrative Borrower’s equity interest in a Restricted Subsidiary to be designated as an Unrestricted Subsidiary) of the Fair Market Value of the net assets of such Restricted Subsidiary of the Administrative Borrower at the time that such Restricted Subsidiary is designated an Unrestricted Subsidiary; provided, however, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Administrative Borrower will be deemed to continue to have a permanent “Investment” in an Unrestricted Subsidiary in an amount (if positive) equal to (a) the Administrative Borrower’s “Investment” in such Subsidiary at the time of such redesignation less (b) the portion (proportionate to the Administrative Borrower’s equity interest in such Subsidiary) of the Fair Market Value of the net assets (as conclusively determined by the board of directors of the

Administrative Borrower in good faith) of such Subsidiary at the time that such Subsidiary is so re-designated a Restricted Subsidiary; and

(2) any property transferred to or from an Unrestricted Subsidiary will be valued at its Fair Market Value at the time of such transfer, in each case as determined in good faith by the board of directors of the Administrative Borrower.

“IRS” shall mean the U.S. Internal Revenue Service.

“ISDA Definitions” shall mean 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

“Issuing Lender” shall mean Bank of America, N.A. or any other Lender that, at the request of the Administrative Borrower and with the consent of Administrative Agent, agrees, in such Lender’s sole discretion, to become an Issuing Lender for the purpose of issuing Letters of Credit pursuant to the terms of this Agreement, and the Issuing Lender shall be a Lender.

“Joint Venture” shall mean any Person, other than an individual or a Wholly-Owned Subsidiary of the Administrative Borrower, (a) in which the Administrative Borrower or a Subsidiary of the Administrative Borrower holds or acquires an ownership interest (whether by way of capital stock, partnership or limited liability company interest, or other evidence of ownership), (b) which is engaged in a Permitted Business and (c) which is organized under the laws of (and the assets of which are located in) the United States or any State thereof.

“Junior Lien Debt” shall mean any Indebtedness issued under any indenture, any credit facility, any note purchase agreement, any notes or any other Indebtedness (including letters of credit and reimbursement obligations with respect thereto) (but excluding any receivables securitization or receivables financing) of the Administrative Borrower that was permitted to be incurred and so secured under each Secured Document, and guarantees thereof; provided, in the case of any notes, guarantees or other Indebtedness referred to herein, that:

(a) on or before the date on which such additional notes are issued or Indebtedness is incurred by the Administrative Borrower or guarantees incurred by such Credit Party, such notes, guarantees or other Indebtedness, as applicable, is designated by the Administrative Borrower, in an officer’s certificate delivered to the Collateral Agent, as “Junior Lien Debt” for the purposes of this Agreement; provided that no Indebtedness may be designated as both Junior Lien Debt and Parity Lien Debt; and

(b) all requirements set forth in the Revolver Intercreditor Agreement as to the confirmation, grant or perfection of the Junior Lien Representative’s Lien to secure such additional notes, guarantees or other Indebtedness or obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (b) will be conclusively established for purposes of this Agreement if the Administrative Borrower delivers to the Collateral Agent an additional secured debt designation stating that such requirements and other provisions have been satisfied and that such notes, guarantees or other Indebtedness is “Junior Lien Debt”);

provided that for purposes of the Revolver Intercreditor Agreement if the aggregate principal amount of the Indebtedness outstanding under this definition of Junior Lien Debt exceeds the Intercreditor Junior Lien Cap, only that portion of the principal amount of the Indebtedness up to the

Intercreditor Junior Lien Cap shall constitute Junior Lien Debt under the Revolver Intercreditor Agreement and only interest and reimbursement obligations in respect of the principal amount of Junior Lien Debt so included shall constitute Junior Lien Debt; provided, however, that notwithstanding the foregoing, if at the time of incurrence such Indebtedness constitutes Junior Lien Debt, any subsequent reduction in the Intercreditor Junior Lien Cap shall not cause such outstanding Indebtedness to cease to be deemed Junior Lien Debt for purposes of the Revolver Intercreditor Agreement. For the avoidance of doubt, any Indebtedness not constituting Junior Lien Debt, and any interest or reimbursement obligation in respect thereof, shall not constitute Junior Lien Obligations.

“Junior Lien Documents” means any credit, guarantee and security documents governing any Junior Lien Obligation, and any additional indenture, credit facility or other agreement pursuant to which any Junior Lien Debt is incurred and the security documentation related thereto (other than any security documentation that does not secure Junior Lien Obligations), as each may be amended, restated, amended and restated, supplemented or otherwise modified in accordance with the terms of the Revolver Intercreditor Agreement.

“Junior Lien Obligations” means Junior Lien Debt and all other obligations in respect thereof. Notwithstanding the foregoing, for purposes of the Revolver Intercreditor Agreement, if the aggregate principal amount of Indebtedness for borrowed money constituting principal outstanding under the Junior Lien Documents is in excess of the Intercreditor Junior Lien Cap at the time such Indebtedness is incurred, then only that portion of such Indebtedness equal to the Intercreditor Junior Lien Cap at the time such Indebtedness is incurred shall be included in Junior Lien Obligations and interest and reimbursement obligations with respect to such Indebtedness shall only constitute Junior Lien Obligations to the extent related to Indebtedness included in the Junior Lien Obligations. “Junior Lien Obligations” shall include all interest accrued or accruing (or which would, absent commencement of an Insolvency or Liquidation Proceeding, accrue) after commencement of an Insolvency or Liquidation Proceeding in accordance with the rate specified in the relevant Junior Lien Document whether or not the claim for such interest is allowed in such Insolvency or Liquidation Proceeding.

“Junior Lien Representative” means the trustee, agent or representative of the holders of such series of Junior Lien Debt who is appointed as a representative of such series of Junior Lien Debt (for purposes related to the administration of the security documentation) pursuant to the indenture, credit agreement or other agreement governing such series of Junior Lien Debt, in each case, together with any successor thereto and “Junior Lien Representatives” shall mean, collectively, each Junior Lien Representative.

“Latest Maturity Date” shall mean, at any date of determination, the latest maturity or expiration date applicable to any Senior Secured Notes under the Senior Secured Notes Indenture at such time.

“Leaseholds” of any Person shall mean all the right, title and interest of such Person as lessee or licensee in, to and under leases or licenses of land, improvements and/or fixtures.

“Lender” shall mean (a) each Revolving Lender, (b) each Issuing Lender, (c) each other Eligible Transferee that becomes a party hereto pursuant to Section 12.04, (d) Administrative Agent, to the extent of any Revolving Loans made by Administrative Agent which have not been settled among Lenders pursuant to Section 2.02(d)(i) and (e) the respective successors of all of the foregoing, and “Lenders” shall mean all of the foregoing.

“Letter of Credit” shall mean a letter of credit issued by Issuing Lender.



“Letter of Credit Collateralization” shall mean either (a) providing cash collateral (pursuant to documentation reasonably satisfactory to Administrative Agent, including provisions that specify that the Letter of Credit fee and all usage charges set forth in this Agreement will continue to accrue while the Letters of Credit are outstanding) to be held by Administrative Agent for the benefit of the Lenders in an amount equal to one hundred three percent (103%) of the then existing Letter of Credit Usage, (b) causing the Letters of Credit to be returned to the Issuing Lender, or (c) providing Administrative Agent with a standby letter of credit, in form and substance reasonably satisfactory to Administrative Agent, from a commercial bank acceptable to Administrative Agent (in its sole discretion) in an amount equal to one hundred three percent (103%) of the then existing Letter of Credit Usage (it being understood that the Letter of Credit fee and all usage charges set forth in this Agreement will continue to accrue while the Letters of Credit are outstanding and that any such fees that accrue must be an amount that can be drawn under any such standby letter of credit).

“Letter of Credit Disbursement” shall mean a payment made by Issuing Lender pursuant to a Letter of Credit.

“Letter of Credit Usage” shall mean, as of any date of determination, the aggregate undrawn amount of all outstanding Letters of Credit (other than Letters of Credit subject to Letter of Credit Collateralization).

“License” shall mean as to any Person, any license, permit, certificate of need, authorization, certification, accreditation, franchise, approval, or grant of rights by any Governmental Authority or other Person necessary or appropriate for such Person to own, maintain, or operate its business or property, including FCC Licenses. “License” shall not include licenses with respect to intellectual property.

“Lien” shall mean any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

“Liggins” shall mean Alfred C. Liggins, III.

“LMA Agreement” shall mean any time brokerage agreement, local marketing agreement, joint sales agreement, joint operating agreement or joint operating venture for the operation of a radio station or related or similar agreements entered into, directly or indirectly, between the Administrative Borrower or any of its Restricted Subsidiaries and any other Person other than the Administrative Borrower or any of its Restricted Subsidiaries.

“Loan” shall mean each Revolving Loan.

“Loan Account” shall have the meaning provided in Section 2.13.

“Margin Stock” shall have the meaning provided in Regulation U.

“Material Adverse Effect” shall mean (a) a material adverse effect on the business, operations, property, assets, liabilities or financial condition of the Administrative Borrower and its Restricted Subsidiaries taken as a whole or (b) a material adverse effect (i) on the material rights or remedies of the Lenders, the Administrative Agent or the Collateral Agent hereunder or under the Credit Documents or (ii) on the ability of the Credit Parties, taken as a whole, to perform their payment obligations to the Lenders, the Administrative Agent or the Collateral Agent hereunder or under any other Credit Document.

“Maturity Date” shall mean the earlier to occur of (a) February 19, 2026 and (b) the date that is ninety-one (91) days prior to the Latest Maturity Date.

“Maximum Rate” shall have the meaning provided in Section 12.20.

“Moody’s” shall mean Moody’s Investors Service, Inc. or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

“Multiemployer Plan” shall mean any multiemployer plan as defined in Section 4001(a)(3) of ERISA, which is contributed to by (or to which there is or may be an obligation to contribute of) the Administrative Borrower or a Subsidiary of the Administrative Borrower, or with respect to which the Administrative Borrower or any Subsidiary of the Administrative Borrower has any liability (including on account of an ERISA Affiliate).

“NAIC” shall mean the National Association of Insurance Commissioners.

“National Harbor Equity Interest” means the Equity Interests owned by Urban One Entertainment SPV LLC (or any other Subsidiary of the Administrative Borrower) in MGM National Harbor, LLC.

“Nationally Recognized Statistical Rating Organization” means a nationally recognized statistical rating organization within the meaning of Rule 436 under the Securities Act.

“Necessary Authorization” shall mean any License, consent or order from, or any filing, recording or registration (other than filings, recordings and registrations with respect to intellectual property) with, any Governmental Authority (including, without limitation, the FCC) necessary to the conduct of the Administrative Borrower’s or any of its Restricted Subsidiaries’ business or for the ownership, maintenance and operation by the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower of any Station or other property or to the performance by the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower of its obligations under any LMA Agreement to which it is a party.

“Net Available Cash” from an Asset Sale shall mean cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and net proceeds from the sale or other disposition of any securities received as consideration, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Sale or received in any other non-cash form) therefrom, in each case net of: (w) all legal, accounting, investment banking, title and recording tax expenses, commissions and other fees and expenses incurred, and all Taxes, paid or reasonably estimated to be required to be paid or accrued as a liability under GAAP (after taking into account any otherwise available tax credits or deductions of the Administrative Borrower (or any of its Subsidiaries) and any tax sharing agreements), as a consequence of such Asset Sale, (x) all payments made on any Indebtedness which is secured by any assets subject to such Asset Sale, in accordance with the terms of any Lien upon such assets, or which by applicable law be repaid out of the proceeds from such Asset Sale, (y) all distributions and other payments required to be made to minority interest holders (other than any Parent Company, the Administrative Borrower or any of its Subsidiaries) in Subsidiaries or joint ventures as a result of such Asset Sale, and (z) the deduction of appropriate amounts required to be provided by the seller as a reserve, on the basis of GAAP, against any liabilities associated with the assets disposed of in such Asset Sale and retained by the Administrative Borrower or any Restricted Subsidiary after such Asset Sale.

"Net Cash Proceeds" shall mean, with respect to any issuance or sale of Equity Interests, means the cash proceeds of such issuance or sale net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, listing fees, discounts or commissions and brokerage, consultant and other fees and charges actually Incurred in connection with such issuance or sale and net of Taxes paid or payable as a result of such issuance or sale.

"Non-Recourse Debt" shall mean Indebtedness:

(a) as to which neither the Administrative Borrower nor any of its Restricted Subsidiaries (i) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness), (ii) is directly or indirectly liable as a guarantor or otherwise, or (iii) constitutes the lender;

(b) no default with respect to which (including any rights that the holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary) would permit upon notice, lapse of any applicable grace period or both any holder of any other Indebtedness (other than the Loans) of the Administrative Borrower or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment of such other Indebtedness to be accelerated or payable prior to its Stated Maturity; and

(c) as to which the holders of such Indebtedness do not otherwise have recourse to the stock or assets of the Administrative Borrower or any of its Restricted Subsidiaries.

"Non-Wholly Owned Restricted Subsidiary" shall mean, as to any Person, each Restricted Subsidiary of such Person which is not a Wholly-Owned Subsidiary of such Person.

"Non-Wholly Owned Subsidiary" shall mean, as to any Person, each Subsidiary of such Person which is not a Wholly-Owned Subsidiary of such Person.

"Notes Collateral Agent" shall mean the collateral agent for the secured parties under the Senior Secured Notes Documents, together with its successors and permitted assigns.

"Notice of Borrowing" shall mean a notice of an Authorized Officer of the Administrative Borrower, substantially in the form of Exhibit A-2, appropriately completed to specify: (a) the aggregate principal amount of the Loans to be incurred pursuant to such Borrowing and specifying the applicable Borrower, (b) the date of such Borrowing (which shall be a Business Day), (c) whether the Loans being incurred pursuant to such Borrowing are to be initially maintained as Base Rate Loans or, to the extent permitted hereunder, Term SOFR Loans and, if Term SOFR Loans, the initial Interest Period to be applicable thereto, and (d) instructions with regard to the disbursement of proceeds.

"Notice of Conversion/Continuation" shall have the meaning provided in Section 2.06.

"Notice Office" shall mean the office of the Administrative Agent located at One Bryant Park, New York, NY 10036, Attn: Asset Based Account Officer – Urban One, Email: dionne.rice@bofa.com, or such other office or person as the Administrative Agent may hereafter designate in writing as such to the other parties hereto.

"Obligations" shall mean all amounts owing to the Administrative Agent, the Collateral Agent or any Lender pursuant to the terms of this Agreement or any other Credit Document (including all interest which accrues after the commencement of any Insolvency or Liquidation Proceeding of the Administrative Borrower or any of its Restricted Subsidiaries, whether or not allowed in such case or

proceeding) but shall exclude in all events Excluded Swap Obligations. Without in any way limiting the foregoing, Obligations shall include (a) all loans (including the Revolving Loans and any Protective Advances), debts, principal, premium (if any), interest (including any interest that accrues after the commencement of an Insolvency or Liquidation Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency or Liquidation Proceeding), penalties, charges, reimbursement or indemnification obligations with respect to Letters of Credit (irrespective of whether contingent), liabilities (including all amounts charged to the Loan Account pursuant to this Agreement), obligations (including indemnification obligations), fees (including the fees provided for in any fee letter between any Credit Party and Administrative Agent), costs and expenses (including any fees, costs or expenses that accrue after the commencement of an Insolvency or Liquidation Proceeding, regardless of whether allowed or allowable in whole or in part as a claim in any such Insolvency or Liquidation Proceeding), guaranties, covenants, and duties of any kind and description owing by any Credit Party pursuant to or evidenced by this Agreement or any of the other Credit Documents and irrespective of whether for the payment of money, whether direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, and including all interest not paid when due and all other expenses or other amounts that the Borrowers are required to pay or reimburse by the Credit Documents or by law or otherwise in connection with the Credit Documents, (b) [reserved], and (c) all Bank Product Obligations. Any reference in this Agreement or in the Credit Documents to the Obligations shall include all or any portion thereof and any extensions, modifications, renewals, or alterations thereof, both prior and subsequent to any Insolvency or Liquidation Proceeding.

“OFAC” shall have the meaning provided in Section 7.25.

“Other Connection Taxes” shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Credit Document).

“Other Taxes” shall mean all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.12).

“Overadvance” shall mean, as of any date of determination, that the Revolver Usage is greater than any of the limitations set forth in Section 2.1 or Section 2.4.

“Parent Company” shall mean any Person that owns, directly or indirectly, one hundred percent (100%) of the outstanding Equity Interests of the Administrative Borrower.

“Parity Lien Debt” shall mean:

- (1) the Senior Secured Notes initially issued by the Administrative Borrower under the Senior Secured Notes Indenture, together with the related note guarantees thereof;
- (2) any additional notes under the Senior Secured Notes Indenture if the issuance thereof is permitted by each Secured Document;
- (3) [Reserved];

(4) additional notes issued under any indenture or other Indebtedness (including letters of credit and reimbursement obligations with respect thereto) of the Administrative Borrower under any Additional Parity Lien Debt Facility that was permitted to be incurred and so secured under each Secured Document, and guarantees thereof; provided, in the case of any additional notes, guarantees or other Indebtedness referred to in this clause (4), that:

(a) on or before the date on which such additional notes are issued or Indebtedness is incurred by the Administrative Borrower or guarantees incurred by such Credit Party, such additional notes, guarantees or other Indebtedness, as applicable, is designated by the Administrative Borrower, in an officer's certificate delivered to the Collateral Agent, as "Parity Lien Debt" for the purposes of this Agreement; provided that no Indebtedness may be designated as both Junior Lien Debt and Parity Lien Debt;

(b) such additional notes, guarantees or other Indebtedness is governed by an indenture, note purchase agreement, note or a credit agreement, as applicable, or other agreement that provides that the Liens securing such obligations are shared equally and ratably among holders of Parity Lien Debt (unless the Senior Secured Notes have been discharged); and

(c) all requirements set forth in the Revolver Intercreditor Agreement as to the confirmation, grant or perfection of the Parity Lien Representative's Lien to secure such additional notes, guarantees or other Indebtedness or obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (c) will be conclusively established for purposes of this Agreement if the Administrative Borrower delivers to the Collateral Agent an additional secured debt designation stating that such requirements and other provisions have been satisfied and that such notes, guarantees or other Indebtedness is "Parity Lien Debt"); and

(5) obligations under Hedge Agreements of any Borrower or any Subsidiary Guarantor incurred in accordance with the terms of this Agreement; provided that:

(a) on or before or within thirty (30) days after the date on which such obligations under Hedge Agreements are incurred by such Borrower or such Subsidiary Guarantor (or within thirty (30) days after the Effective Date for obligations under Hedge Agreements in existence on the Effective Date), such obligations under Hedge Agreements are designated by the Administrative Borrower in an officer's certificate delivered to the Collateral Agent, as "Parity Lien Debt" for the purposes of this Agreement;

(b) the counterparty in respect of such obligations under Hedge Agreements, in its capacity as a holder or beneficiary of such Parity Lien Debt, executes and delivers a joinder to the Revolver Intercreditor Agreement in accordance with the terms thereof or otherwise becomes subject to the terms of the Revolver Intercreditor Agreement; and

(c) all other requirements set forth in the Revolver Intercreditor Agreement have been complied with (and the satisfaction of such requirements will be conclusively established for purposes of this Agreement if the Administrative Borrower delivers to the Collateral Agent an additional secured debt designation stating that such requirements and other provisions have been satisfied and that such obligations under Hedge Agreements are "Parity Lien Debt");

provided that for purposes of the Revolver Intercreditor Agreement, if the aggregate principal amount of the Indebtedness for borrowed money outstanding under clauses (1), (2), and (4) exceeds the Intercreditor Parity Lien Cap (as defined in the Revolver Intercreditor Agreement), only that

portion of the principal amount of the Indebtedness up to the Intercreditor Parity Lien Cap (as defined in the Revolver Intercreditor Agreement) shall constitute Parity Lien Debt under the Revolver Intercreditor Agreement and only interest and reimbursement obligations in respect of the principal amount of Intercreditor Parity Lien Debt (as defined in the Revolver Intercreditor Agreement) so included shall constitute Parity Lien Debt; provided, however, that notwithstanding the foregoing, if at the time of incurrence such Indebtedness constitutes Parity Lien Debt, any subsequent reduction in the Intercreditor Parity Lien Cap (as defined in the Revolver Intercreditor Agreement) shall not cause such outstanding Indebtedness to cease to be deemed Parity Lien Debt for purposes of the Revolver Intercreditor Agreement. For the avoidance of doubt, any Indebtedness not constituting Parity Lien Debt, and any interest or reimbursement obligation in respect thereof, shall not constitute Parity Lien Obligations; provided, further, no additional Indebtedness incurred after the Effective Date under clauses (2), (4) and (5) above shall constitute "Parity Lien Debt" hereunder unless it is permitted to be incurred by the Administrative Borrower and/or the applicable Credit Party hereunder and under the Secured Documents then in effect.

"Parity Lien Documents" shall mean, collectively, the Senior Secured Notes Documents, any credit, guarantee and security documents governing any Parity Lien Obligation, and any additional indenture, credit facility or other agreement pursuant to which any Parity Lien Debt is incurred and the security documentation related thereto (other than any security documentation that does not secure Parity Lien Obligations), as each may be amended, restated, amended and restated, supplemented or otherwise modified in accordance with the terms of the Intercreditor Agreements.

"Parity Lien Obligations" means Parity Lien Debt and all other obligations in respect thereof, including any secured obligations under Hedge Agreements thereunder or any obligations under Cash Management Services secured thereunder. Notwithstanding the foregoing, for purposes of the Revolver Intercreditor Agreement, if the aggregate principal amount of Indebtedness for borrowed money constituting principal outstanding under the Parity Lien Documents is in excess of the Intercreditor Parity Lien Cap (as defined in the Revolver Intercreditor Agreement) at the time such Indebtedness is incurred, then only that portion of such Indebtedness equal to the Intercreditor Parity Lien Cap (as defined in the Revolver Intercreditor Agreement) at the time such Indebtedness is incurred shall be included in Parity Lien Obligations and interest and reimbursement obligations with respect to such Indebtedness shall only constitute Parity Lien Obligations to the extent related to Indebtedness included in the Parity Lien Obligations. "Parity Lien Obligations" shall include all interest accrued or accruing (or which would, absent commencement of an Insolvency or Liquidation Proceeding, accrue) after commencement of an Insolvency or Liquidation Proceeding in accordance with the rate specified in the relevant Parity Lien Document whether or not the claim for such interest is allowed in such Insolvency or Liquidation Proceeding.

"Parity Lien Representative" means (1) the Notes Collateral Agent, in the case of the Senior Secured Notes or (2) in the case of any other series of Parity Lien Debt, the trustee, agent or representative of the holders of such series of Parity Lien Debt who is appointed as a representative of such series of Parity Lien Debt (for purposes related to the administration of the security documentation) pursuant to the indenture, credit agreement or other agreement governing such series of Parity Lien Debt, in each case, together with any successor thereto and "Parity Lien Representatives" shall mean, collectively, each Parity Lien Representative.

"PATRIOT Act" shall have the meaning provided in Section 12.18.

"Payment Account" shall mean the account identified on Schedule 2.13 into which all payments by or on behalf of each Credit Party to Administrative Agent under the Credit Documents shall be made.

"Payment Conditions" shall mean, at the time of determination with respect to any action or proposed action and immediately after giving effect thereto, each of the following conditions: (a) there is no Event of Default existing and continuing; (b) pro forma compliance with Section 9.07 (whether or not the Fixed Charge Coverage Ratio covenant therein is in effect); and (c) if as of the date of such action or proposed action, both (i) the outstanding Revolver Usage hereunder is greater than \$0 and (ii) proceeds of any Loans will be used in connection with such action or proposed action, then Thirty-Day Availability and Availability on the date of the action or proposed action (in each case calculated on a Pro Forma Basis after giving effect to the Borrowing of any Loans or issuance of any Letters of Credit in connection with the action or proposed action (and assuming that such Loans and Letters of Credit had remained outstanding throughout the applicable thirty (30) day (or shorter, as the case may be) period for which Thirty-Day Availability is to be determined)) shall be (x) solely with respect to any acquisition, consolidation, mergers, Investments, or Debt Repurchases, equal to or exceed the greater of 17.5% of the Revolving Loan Limit and \$8,750,000 at such time and (y) solely with respect to Dividends or Indebtedness, equal to or exceed the greater of 22.5% of the Revolving Loan Limit and \$11,250,000.

"Payment Office" shall mean the office of the Administrative Agent located at One Bryant Park, New York, NY 10036, Attn: Asset Based Account Officer – Urban One, Email: dionne.rice@bofa.com, or such other office or person as the Administrative Agent may hereafter designate in writing as such to the other parties hereto.

"PBGC" shall mean the U.S. Pension Benefit Guaranty Corporation.

"Permitted Acquired Debt" shall have the meaning provided in Section 9.04(vii).

"Permitted Acquisition" shall mean the acquisition by (a) the Administrative Borrower or a Wholly-Owned Domestic Restricted Subsidiary of the Administrative Borrower which is a Borrower or a Subsidiary Guarantor of an Acquired Entity or Business (including by way of merger of such Acquired Entity or Business with and into a Borrower (so long as such Borrower is the surviving Person) or a Wholly-Owned Domestic Restricted Subsidiary of the Administrative Borrower which is a Subsidiary Guarantor (so long as such Subsidiary Guarantor is the surviving Person)) or (b) any Wholly-Owned Foreign Restricted Subsidiary of the Administrative Borrower of an Acquired Entity or Business (including by way of merger of such Acquired Entity or Business with and into a Wholly-Owned Foreign Restricted Subsidiary of the Administrative Borrower (so long as such Wholly-Owned Foreign Restricted Subsidiary is the surviving Person)); provided, that (in each case) (i) the consideration paid or to be paid by the Administrative Borrower or such Wholly-Owned Restricted Subsidiary consists solely of cash, Borrower Common Stock, Qualified Preferred Stock, the issuance of Disqualified Preferred Stock or Designated Preferred Stock permitted by this Agreement, the issuance or incurrence of Indebtedness otherwise permitted by Section 9.04 and the assumption/acquisition of any Indebtedness (calculated at face value) which is permitted to remain outstanding in accordance with the requirements of Section 9.04, (ii) in the case of the acquisition of one hundred percent (100%) of the Equity Interests of any Acquired Entity or Business (including by way of merger), such Acquired Entity or Business shall own no Equity Interests of any other Person unless either (A) such other Person is a Wholly-Owned Subsidiary of such Acquired Entity or Business or (B) if such Acquired Entity or Business owns Equity Interests in any other Person which is not a Wholly-Owned Subsidiary of such Acquired Entity or Business, such other Person shall not have been created or established in contemplation of, or for purposes of consummating, such Permitted Acquisition, (iii) the Acquired Entity or Business acquired pursuant to the respective Permitted Acquisition is in a Permitted Business and (iv) all requirements of Section 8.11 applicable to Permitted Acquisitions are satisfied. Notwithstanding anything to the contrary contained in the immediately preceding sentence, an acquisition which does not otherwise meet the requirements set forth above in the definition of "Permitted Acquisition" shall constitute a Permitted Acquisition if, and to the extent, the Required Lenders agree in

writing, prior to the consummation thereof, that such acquisition shall constitute a Permitted Acquisition for purposes of this Agreement.

"Permitted Asset Swap" shall mean the concurrent purchase and sale or exchange of assets used or useful in a Permitted Business or a combination of such assets, cash and Cash Equivalents between the Administrative Borrower or any of its Restricted Subsidiaries and another Person; provided that any cash or Cash Equivalents received in excess of the value of any cash or Cash Equivalents sold or exchanged must be applied in accordance with the terms of the Senior Secured Notes Indenture; provided further that the Administrative Borrower and its Restricted Subsidiaries shall comply with Section 8.11 with respect to assets received and, shall comply with the Security Documents, to the extent required by the Security Documents, with respect to the assets disposed of to the extent such assets constituted Collateral.

"Permitted Business" shall mean any business engaged in by the Administrative Borrower or its Restricted Subsidiaries as of the Effective Date or any business reasonably related, ancillary, corollary, incidental, supportive or complementary thereto (including, without limitation, any media or entertainment related business), and reasonable extensions thereof, in each case, as determined in good faith by the board of directors of the Administrative Borrower.

"Permitted Discretion" shall mean a determination made by the Administrative Agent in the exercise, in good faith, of reasonable (from the perspective of a secured asset-based lender) business judgment as being appropriate (a) to reflect the impediments to the Administrative Agent's ability to realize upon the Collateral included in the Borrowing Base or to enhance the collectability or repayment of the Obligations, (b) to reflect claims and liabilities that the Administrative Agent determines will need to be satisfied in connection with the realization upon the Collateral or to enhance the collectability or repayment of the Obligations, or (c) to reflect criteria, events, conditions, contingencies or risks which adversely affect the Borrowing Base or the validity or enforceability of the Credit Documents or the material rights and remedies of the Secured Creditors.

"Permitted Group" shall mean any investor that is a Beneficial Owner of Voting Stock of the Administrative Borrower or any Parent Company and that is also a party to a stockholders' agreement with any of the Principals or their Related Parties and any group of investors that is deemed to be a "person" (as that term is used in Section 13(d)(3) of the Exchange Act) by virtue of any such stockholders' agreement; provided, that the Principals and their Related Parties continue to collectively Beneficially Own, directly or indirectly, at all times more than fifty percent (50%) of the Voting Stock of the Administrative Borrower or Parent Company, as applicable, and the ability to elect a majority of the members of the board of directors of the Administrative Borrower or Parent Company (without giving effect to any Voting Stock that may be deemed to be beneficially owned by the Principals and their Related Parties pursuant to Rule 13d-3 or 13d-5 under the Exchange Act).

"Permitted Liens" shall have the meaning provided in Section 9.01.

"Permitted Refinancing" shall mean, with respect to any Person, any Indebtedness that is incurred to modify, refinance, replace, refund, renew, repay or extend any Indebtedness of such Person (including pursuant to any defeasance or discharge mechanism); provided, that (a) the principal amount (or accreted value, if applicable) thereof does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness so modified, refinanced, replaced, refunded, renewed, repaid or extended except by an amount equal to unpaid accrued interest, plus amounts used to pay fees (including original issue discount), expenses, premiums and other costs and expenses incurred thereon and by an amount equal to any existing commitments unutilized thereunder, (b) such modification, refinancing, replacement, refunding, renewal or extension has a final stated maturity date equal to or later than the final stated maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the



Indebtedness being modified, refinanced, replaced, refunded, renewed or extended, (c) at the time thereof, no Event of Default shall have occurred and be continuing or would result therefrom, (d) such modification, refinancing, replacement, refunding, renewal or extension does not add guarantors, obligors or security from that which applied to such Indebtedness being modified, refinanced, replaced, refunded, renewed or extended unless in connection with an acquisition or as otherwise permitted hereunder (so long as such guarantors, obligors or security are also added to support the Obligations; for the avoidance of doubt, any guarantors, obligors or security applied to such Indebtedness shall be guarantors, obligors or security to support the Obligations), (e) to the extent such Indebtedness being modified, refinanced, replaced, refunded, renewed or extended is subordinated in right of payment to the Obligations, such modification, refinancing, replacement, refunding, renewal or extension is subordinated in right of payment to the Obligations (i) on terms (taken as a whole) at least as favorable to the Lenders as those contained in the documentation governing the Indebtedness being modified, refinanced, replaced, refunded, renewed or extended or (ii) on terms reasonably satisfactory to the Administrative Agent, and (f) to the extent such Indebtedness being modified, refinanced, replaced, refunded, renewed or extended is secured by Liens that are subordinated to the Liens securing the Obligations, such modification, refinancing, replacement, refunding, renewal or extension is unsecured or secured by Liens that are subordinated to the Liens securing the Obligations on terms (taken as a whole) at least as favorable to the Lenders as those contained in the documentation (including any intercreditor or similar agreements) governing the Indebtedness being modified, refinanced, replaced, refunded, renewed or extended; provided, that in the case of any refinancing, replacement, refunding, renewal or extension of any Parity Lien Debt, any Junior Lien Debt, any Permitted Unsecured Debt and any Permitted Subordinated Debt and any subsequent Indebtedness issued to so refinance, replace, refund, renew or extend any such Indebtedness is otherwise effected in accordance with the requirements of Section 9.09(iv)(D).

"Permitted Refinancing Debt Documents" shall mean the documentation governing any Permitted Refinancing Indebtedness.

"Permitted Refinancing Indebtedness" shall mean any Indebtedness modified, refinanced, replaced, refunded, renewed or extended pursuant to, and in accordance with the requirements of, a Permitted Refinancing.

"Permitted Subordinated Debt" shall mean any subordinated Indebtedness of any Credit Party, as such Indebtedness may be amended, modified and/or supplemented from time to time in accordance with the terms hereof and thereof; provided, that, unless the Required Lenders otherwise expressly consent in writing prior to the issuance thereof, (a) no such Indebtedness shall be secured by any asset of the Administrative Borrower or any of its Restricted Subsidiaries, (b) no such Indebtedness shall be guaranteed by any person other than a Credit Party, (c) except for the covenants described in clauses (d) and (e) below, no such Indebtedness shall be subject to scheduled amortization or required redemption or repayment or have a final maturity, in any case prior to the Latest Maturity Date, (d) any "change of control" covenant included in the Permitted Subordinated Debt Document governing such Indebtedness shall provide that, before the mailing of any required "notice of redemption" in connection therewith, the Administrative Borrower shall covenant to (i) obtain the consent of the Required Lenders or (ii) pay all Obligations (other than contingent obligations not yet due and owing or any Bank Product Obligations or Hedge Obligations) in full in cash, (e) any "asset sale" offer to purchase covenant included in the indenture or other agreement governing such Indebtedness shall provide that the Administrative Borrower or the respective Restricted Subsidiary shall be permitted to repay obligations, and terminate commitments, under "senior debt" (including this Agreement) before offering to purchase such Indebtedness, (f) the Permitted Subordinated Debt Document shall not include any financial maintenance covenants, (g) the "default to other indebtedness" event of default contained in the indenture or other agreement governing such Indebtedness shall provide for a "cross-acceleration" rather than a "cross-default", and (h) the subordination provisions contained therein shall provide for a permanent block on payments with respect to such

Indebtedness during a payment default with respect to “senior debt” and cover all Obligations and all obligations under Interest Rate Agreements. The incurrence of Permitted Subordinated Debt shall be deemed to be a representation and warranty by the Borrowers that all conditions thereto have been satisfied in all material respects and that same is permitted in accordance with the terms of this Agreement, which representation and warranty shall be deemed to be a representation and warranty for all purposes hereunder, including, without limitation, Section 10.

“Permitted Subordinated Debt Documents” shall mean, on and after the execution and delivery thereof, all notes, note purchase agreements, indentures, credit agreement, and any other agreements and documents relating to the incurrence of the Permitted Subordinated Debt, as the same may be amended, restated, amended and restated, modified or supplemented from time to time in accordance with the terms hereof and thereof.

“Permitted Unsecured Debt” shall mean any unsecured Indebtedness of the Administrative Borrower, as such Indebtedness may be amended, modified and/or supplemented from time to time in accordance with the terms hereof and thereof; provided, that, unless the Required Lenders otherwise expressly consent in writing prior to the issuance thereof, (a) except for the covenant described in clause (ii) below and a customary “change of control” offer to purchase, no such Indebtedness shall be subject to scheduled amortization or required redemption or repayment or have a final maturity, in any case prior to the Latest Maturity Date, (b) any “asset sale” offer to purchase covenant included in the Permitted Unsecured Debt Documents governing such Indebtedness shall provide that the Administrative Borrower or the respective Restricted Subsidiary shall be permitted to repay obligations, and terminate commitments, under “senior debt” (including this Agreement) before offering to purchase such Indebtedness, (c) the Permitted Unsecured Debt Documents shall not include any financial maintenance covenants, and (d) the “default to other indebtedness” event of default contained in the indenture or other agreement governing such Indebtedness shall provide for a “cross-acceleration” rather than a “cross-default”. The incurrence of Permitted Unsecured Debt shall be deemed to be a representation and warranty by the Borrowers that all conditions thereto have been satisfied in all material respects and that same is permitted in accordance with the terms of this Agreement, which representation and warranty shall be deemed to be a representation and warranty for all purposes hereunder, including, without limitation, Sections 5 and 10.

“Permitted Unsecured Debt Documents” shall mean, on and after the execution and delivery thereof, all notes, note purchase agreements, indentures, credit agreements and any other agreements and documents relating to the incurrence of the Permitted Unsecured Debt, as the same may be amended, restated, amended and restated, modified or supplemented from time to time in accordance with the terms hereof and thereof.

“Person” shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

“Plan” shall mean an “employee benefit plan” as defined in Section 3 of ERISA (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA maintained or contributed to by the Administrative Borrower or a Subsidiary of the Administrative Borrower or with respect to which the Administrative Borrower or a Restricted Subsidiary of the Administrative Borrower has any liability (including on account of an ERISA Affiliate).

“Platform” shall have the meaning provided in Section 12.03(c).

“Pledge Agreement” shall have the meaning provided in Section 5.11.

“Pledge Agreement Collateral” shall mean all “Collateral” as defined in the Pledge Agreement (excluding, for the avoidance of doubt, any Excluded Assets).

“Pledgee” shall have the meaning provided in the Pledge Agreement.

“Preferred Equity”, as applied to the Equity Interests of any Person, shall mean Equity Interests of any class or classes (however designated) which is preferred as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Equity Interests of any other class of such Person.

“Principal” shall mean Hughes and/or Liggins.

“Principal Related Party” shall mean:

- (a) any eighty percent (80%) (or more) owned Subsidiary or immediate family member of any Principal; or
- (b) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons Beneficially Owning an eighty percent (80%) or more controlling interest of such entity(ies) consists of any one or more Principals and/or such other Persons referred to in the immediately preceding clause (a).

“Pro Forma Basis” shall mean, in connection with any calculation of compliance with any financial covenant or financial term, the calculation thereof after giving effect on a pro forma basis to (a) the incurrence of any Indebtedness (other than revolving Indebtedness, except to the extent same is incurred to refinance other outstanding Indebtedness (including to refinance any outstanding Indebtedness of an Unrestricted Subsidiary at the time same is designated as a Restricted Subsidiary pursuant to a Subsidiary Designation) or to finance a Permitted Acquisition, a Dividend, an Investment in an Acquired Entity or Business or any other Specified Transaction) or issuance of Disqualified Preferred Stock or Designated Preferred Stock after the first day of the relevant Calculation Period or Test Period, as the case may be, as if such Indebtedness or Disqualified Preferred Stock or Designated Preferred Stock had been incurred or issued (and the proceeds thereof applied) on the first day of such Test Period or Calculation Period, as the case may be, (b) the permanent repayment or redemption of any Indebtedness (other than revolving Indebtedness, except to the extent accompanied by a corresponding permanent commitment reduction) or Disqualified Preferred Stock or Designated Preferred Stock after the first day of the relevant Test Period or Calculation Period, as the case may be, as if such Indebtedness or Disqualified Preferred Stock or Designated Preferred Stock, as the case may be, had been retired or repaid on the first day of such Test Period or Calculation Period, as the case may be, (c) the Subsidiary Designation, if any, then being designated as well as any other Subsidiary Designation after the first day of the relevant Calculation Period and on or prior to the date of the respective Subsidiary Designation then being designated and (d) any Permitted Acquisition, Specified Transaction, or any Asset Sale (or, at the option of the Administrative Borrower, any other disposition to a Person other than the Administrative Borrower or a Restricted Subsidiary) then being consummated as well as any other Permitted Acquisition, Specified Transaction or any other Asset Sale (or other disposition, as applicable) if consummated after the first day of the relevant Test Period or Calculation Period, as the case may be, and on or prior to the date of the respective Permitted Acquisition, Specified Transaction or Asset Sale (or other disposition, as applicable), as the case may be, then being effected, with the following rules to apply in connection therewith:

- (i) all Indebtedness, Disqualified Preferred Stock or Designated Preferred Stock (x) (other than revolving Indebtedness, except to the extent same is incurred to refinance other outstanding Indebtedness (including to refinance any outstanding Indebtedness of an Unrestricted

Subsidiary at the time same is designated as a Restricted Subsidiary pursuant to a Subsidiary Designation) or to finance Permitted Acquisitions, Dividends, Investments in an Acquired Entity or Business or any other Specified Transaction) incurred or issued after the first day of the relevant Test Period or Calculation Period (whether incurred to finance a Permitted Acquisition, a Dividend, an Investment in an Acquired Entity or Business or any other Specified Transaction, to refinance Indebtedness or otherwise) shall be deemed to have been incurred or issued (and the proceeds thereof applied) on the first day of such Test Period or Calculation Period, as the case may be, and remain outstanding through the date of determination and (y) (other than revolving Indebtedness, except to the extent accompanied by a corresponding permanent commitment reduction) permanently retired or redeemed after the first day of the relevant Test Period or Calculation Period, as the case may be, shall be deemed to have been retired or redeemed on the first day of such Test Period or Calculation Period, as the case may be, and remain retired through the date of determination;

(ii) all Indebtedness, Disqualified Preferred Stock or Designated Preferred Stock assumed to be outstanding pursuant to preceding clause (i) shall be deemed to have borne interest or accrued dividends, as the case may be, at (x) the rate applicable thereto, in the case of fixed rate indebtedness, Disqualified Preferred Stock or Designated Preferred Stock, as the case may be, or (y) the rates which would have been applicable thereto during the respective period when same was deemed outstanding, in the case of floating rate Indebtedness, Disqualified Preferred Stock or Designated Preferred Stock, as the case may be (although interest expense with respect to any Indebtedness, Disqualified Preferred Stock or Designated Preferred Stock for periods while same was actually outstanding during the respective period shall be calculated using the actual rates applicable thereto while same was actually outstanding); provided, that all Indebtedness, Disqualified Preferred Stock or Designated Preferred Stock (whether actually outstanding or deemed outstanding) bearing interest at a floating rate shall be tested on the basis of the rates applicable at the time the determination is made pursuant to said provisions; and

(iii) in making any determination of Consolidated EBITDA on a Pro Forma Basis, pro forma effect shall be given to any Permitted Acquisition, any other Investment in an Acquired Entity or Business, any Subsidiary Designation, Specified Transaction or any Asset Sale (or, at the option of the Administrative Borrower, any other disposition to a Person other than the Administrative Borrower or a Restricted Subsidiary) if effected during the respective Calculation Period or Test Period (or thereafter, for purposes of determinations pursuant to Sections 8.14, 9.03(vii), 9.03(xi), 9.04(xiv), 9.04(xvi), 9.05(xii), 9.05(xvii), 9.05(xviii), and 9.09(iv) only) as if same had occurred on the first day of the respective Calculation Period or Test Period, as the case may be, taking into account (x) in the case of any Permitted Acquisition or Subsidiary Designation, factually supportable and identifiable cost savings, expenses, expense reductions, operating improvements and synergies (if applicable) as if such cost savings, expenses, expense reductions, operating improvements and synergies (if applicable) were realized on the first day of the respective period and (y) in the case of each Specified Transaction, Additional Cost-Savings Adjustments as if such Additional Cost-Savings Adjustments had been realized on the first day (and during the entirety of) of the respective period, net of the benefits actually realized for the respective period to the extent such are already included in the determination of Consolidated Net Income for the applicable period; provided, that the aggregate amount of all Additional Cost-Savings Adjustments included for all Fiscal Quarters included in all Test Periods or Calculation Periods, as applicable, during the term of this Agreement shall not exceed \$7,500,000.

"Pro Rata Share" shall mean:

(a) with respect to a Lender's obligation to make Revolving Loans and right to receive payments of principal, interest, fees, costs, and expenses with respect thereto, (i) prior to the Revolving Loan Commitment being terminated or reduced to zero, the percentage obtained by dividing (A) such Revolving Lender's Revolving Loan Commitment Amount, by (B) the Revolving Loan Commitment, and

(ii) from and after the time that the Revolving Loan Commitment has been terminated or reduced to zero, the percentage obtained by dividing (A) the outstanding principal amount of such Revolving Lender's Revolving Loans by (B) the outstanding principal amount of all Revolving Loans; and

(b) with respect to a Revolving Lender's obligation to participate in Letters of Credit, to reimburse the Issuing Lender, and right to receive payments of fees with respect thereto, (i) prior to the Revolving Loan Commitment being terminated or reduced to zero, the percentage obtained by dividing (A) such Revolving Lender's Revolving Loan Commitment Amount, by (B) the Revolving Loan Commitment, and (ii) from and after the time that the Revolving Loan Commitment has been terminated or reduced to zero, the percentage obtained by dividing (A) the outstanding principal amount of such Revolving Lender's Revolving Loans by (B) the outstanding principal amount of all Revolving Loans; provided, however, that if all of the Revolving Loans have been repaid in full and Letters of Credit remain outstanding, Pro Rata Share under this clause shall be determined based upon subclause (i) of this clause as if the Revolving Loan Commitment had not been terminated or reduced to zero and based upon the Revolving Loan Commitment as it existed immediately prior to their termination or reduction to zero.

"Protective Advances" shall have the meaning provided in Section 2.02(c)(i).

"PTE" means a prohibited transaction class exemption issued by the U.S. Department of Labor, as any such exemption may be amended from time to time.

"Public Lender" shall have the meaning provided in Section 12.03(c).

"Ratio Debt" shall mean any Indebtedness (including Acquired Indebtedness) if on the date of such incurrence and after giving pro forma effect thereto (including pro forma application of the proceeds thereof), the Leverage Ratio (as defined in the Senior Secured Notes Indenture as in effect on the date hereof) for the Administrative Borrower and its Restricted Subsidiaries is no greater than 6.50 to 1.00.

"QFC" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"Qualified Preferred Stock" shall mean Preferred Equity of the Administrative Borrower other than Disqualified Preferred Stock.

"Real Property" of any Person shall mean all the right, title and interest of such Person in and to land, improvements and fixtures which constitute real property, including Leaseholds to the extent constituting an interest in real property.

"Recipient" shall mean (a) the Administrative Agent, (b) the Collateral Agent, and (c) any Lender, as applicable.

"Recovery Event" shall mean any event that gives rise to the receipt by the Administrative Borrower or any of its Restricted Subsidiaries of any cash insurance proceeds or condemnation awards payable (a) by reason of theft, loss, physical destruction, damage, taking or any other similar event with respect to any property or assets of the Administrative Borrower or any of its Restricted Subsidiaries (but not by reason of any loss of revenues or interruption of business or operations caused thereby) and (b) under any policy of insurance required to be maintained under Section 8.03 (other than business interruption insurance).

"Refinancing" shall mean the refinancing transactions described in Section 5.07.

"Refinancing Documents" shall mean all pay-off letters, guaranty releases, Lien releases (including, without limitation, UCC termination statements) and other release documents and agreements entered into in connection with the Refinancing.

"Register" shall have the meaning provided in Section 12.15.

"Regulation D" shall mean Regulation D of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor to all or a portion thereof establishing reserve requirements.

"Regulation T" shall mean Regulation T of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor to all or a portion thereof.

"Regulation U" shall mean Regulation U of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor to all or a portion thereof.

"Regulation X" shall mean Regulation X of the Board of Governors of the Federal Reserve System as from time to time in effect and any successor to all or a portion thereof.

"Related Fund" shall mean, with respect to any Lender that is a fund or commingled investment vehicle that invests in bank loans, any other fund that invests in bank loans and is managed or advised by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"Relevant Governmental Body" shall mean the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York.

"Related Parties" shall mean, with respect to any specified Person, such Person's Affiliates and the respective directors, partners, trustees, officers, employees, shareholders, agents, advisors, attorney-in-fact and controlling persons of such Person and such Person's Affiliates.

"Release" shall mean disposing, discharging, injecting, spilling, pumping, leaking, leaching, dumping, emitting, escaping, emptying, pouring, seeping, or migrating, into, through or upon any land or water or air, or otherwise entering into the environment.

"Reportable Event" shall mean an event described in Section 4043(c) of ERISA with respect to a Plan that is subject to Title IV of ERISA other than those events as to which the thirty (30) day notice period is waived under applicable regulations.

"Reporting Period" shall mean (a)(i) solely for purposes of Section 8.01(j), the period commencing on the date on which Availability has been less than the greater of (x) seventeen and one half percent (17.5%) of the Revolving Loan Limit and (y) \$8,750,000 and (ii) ending on the date on which Availability has been equal to or greater than the greater of (x) seventeen and one half percent (17.5%) of the Revolving Loan Limit and (y) \$8,750,000 for any consecutive thirty (30) day period after the commencement of the relevant period specified in clause (a)(i), (b)(i) solely for purposes of Section 8.02, the period commencing on the date on which Availability has been less than the greater of (x) twenty percent (20%) of the Revolving Loan Limit and (y) \$10,000,000 and (ii) ending on the date on which Availability has been equal to or greater than the greater of (x) twenty percent (20%) of the Revolving Loan Limit and (y) \$10,000,000 for any consecutive thirty (30) day period after the commencement of the relevant period specified in clause (b)(i), or (c)(i) in each case, the period commencing on the date on which

an Event of Default has occurred and (ii) ending on the date on which such Event of Default has been waived in accordance with the terms of this Agreement.

“Required Lenders” shall mean, at any time, Lenders holding (a) more than fifty percent (50%) of the sum of the Revolving Loan Commitment or (b) if the Revolving Loan Commitment has been terminated, more than fifty percent (50%) of the then aggregate outstanding principal balance of the Loans; provided, that at any time there are two (2) or more Lenders (excluding for this purpose any Affiliates of any Lender), “Required Lenders” shall require not less than two (2) of such Lenders.

“Resolution Authority” means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

“Restricted” shall mean, when referring to cash or Cash Equivalents of the Administrative Borrower or any of its Restricted Subsidiaries, that such cash or Cash Equivalents (a) appears (or would be required to appear) as “restricted” on a consolidated balance sheet of the Administrative Borrower or of any such Restricted Subsidiary (unless such appearance is related to the Credit Documents, the Senior Secured Notes Indenture or Liens created thereunder), or (b) are subject to any Lien (other than inchoate or banker’s Liens) in favor of any Person other than the Collateral Agent for the benefit of the Secured Creditors.

“Restricted Payment” means to (a) declare or pay any Dividend or make any other payment or distribution, directly or indirectly, on account of Equity Interests issued by Administrative Borrower (including any payment in connection with any merger or consolidation involving Administrative Borrower) or to the direct or indirect holders of Equity Interests issued by Administrative Borrower in their capacity as such, (b) purchase, redeem, make any sinking fund or similar payment, or otherwise acquire or retire for value any Equity Interests issued by Administrative Borrower, or (c) make any payment to retire, or to obtain the surrender of, any outstanding warrants, options, or other rights to acquire Equity Interests of Administrative Borrower now or hereafter outstanding.

“Restricted Subsidiary” shall mean, as to any Person, any Subsidiary of such Person other than an Unrestricted Subsidiary.

“Returns” shall have the meaning provided in Section 7.09.

“Revolver Intercreditor Agreement” shall mean the Intercreditor Agreement, dated as of the date hereof, entered into by and among the Administrative Agent, the Notes Collateral Agent, the Administrative Borrower, and the other Credit Parties party thereto, as the same may be amended, restated, amended and restated, modified, supplemented, renewed, refinanced, extended, restructured or replaced in whole or in part from time to time in accordance with the terms thereof.

“Revolver Usage” shall mean, as of any date of determination, the sum of (a) the amount of outstanding Revolving Loans, plus (b) the amount of the Letter of Credit Usage.

“Revolving Lender” shall mean each Lender having a Revolving Loan Commitment Amount in excess of zero (or, in the event the Revolving Loan Commitment shall have been terminated at any time, each Lender at such time having any outstanding Revolving Loans).

“Revolving Loan Borrowing” shall mean a borrowing of a Revolving Loan.

“Revolving Loan Commitment” shall mean, as of any date of determination, the aggregate Revolving Loan Commitment Amounts of all Lenders as of such date.

"Revolving Loan Commitment Amount" shall mean, as to any Lender, the dollar amount set forth opposite such Lender's name on Schedule 1.01A under the column "Revolving Loan Commitment Amount", as such amount may be (a) adjusted from time to time by any "Amounts Assigned" (with respect to such Lender's portion of Revolving Loans outstanding and its commitment to make Revolving Loans) pursuant to the terms of any and all effective Assignment and Assumption Agreements to which such Lender is a party and/or (b) decreased by any reductions in accordance with Section 2.01(d).

"Revolving Loan Commitment Percentage" shall mean, as to any Lender, the percentage equal to the Revolving Loan Commitment Amount of such Lender on such date divided by the aggregate Revolving Loan Commitment Amounts of all Lenders on such date.

"Revolving Loan Exposure" shall mean, with respect to any Lender on any date of determination, the percentage equal to the amount of such Lender's outstanding Revolver Usage on such date divided by the aggregate outstanding Revolving Usage of all Lenders on such date.

"Revolving Loan Limit" shall mean \$50,000,000, as such amount may be decreased by the amount of reductions in the Revolving Loan Commitment Amount made in accordance with Section 2.01(d) of this Agreement.

"Revolving Loans" shall have the meaning provided in Section 2.01.

"Richmond Project" shall mean the Richmond, Virginia casino project disclosed by the Administrative Borrower to the Administrative Agent on or prior to the Effective Date.

"S&P" shall mean Standard & Poor's Investors Ratings Services or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"Sanctions" shall have the meaning provided in Section 7.25.

"Scheduled Existing Indebtedness" shall mean the Indebtedness existing on the Effective Date as listed on Schedule 9.04.

"SEC" shall have the meaning provided in Section 8.01(g).

"Secured Creditors" shall have the meaning assigned that term in the respective Security Documents.

"Secured Documents" shall mean the Parity Lien Documents, the Junior Lien Documents and the Credit Documents.

"Securities Act" shall mean the U.S. Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder, as amended.

"Security Agreement" shall have the meaning provided in Section 5.12.

"Security Agreement Collateral" shall mean all "Collateral" as defined in the Security Agreement (excluding, for the avoidance of doubt, any Excluded Assets).

"Security Document" shall mean and include each of the Security Agreement, the Pledge Agreement and, after the execution and delivery thereof, each Additional Security Document.



“Senior Secured Notes” shall mean those certain 7.375% Senior Secured Notes due 2028 issued by the Administrative Borrower pursuant to the Senior Secured Notes Indenture in the original aggregate principal amount of \$825,000,000, as amended, restated, amended and restated, modified and/or supplemented on or prior to the Effective Date, and as the same may be further amended, restated, amended and restated, modified, supplemented, renewed, refinanced, extended, restructured or replaced in whole or in part from time to time in accordance with the terms hereof and thereof.

“Senior Secured Notes Documents” shall mean any and all agreements, pledge and security agreements, notes (including additional notes), mortgages, collateral documents and guarantees relating to the Senior Secured Notes, including but not limited to the Senior Secured Notes, the Senior Secured Notes Indenture and the “Security Documents” (as defined in the Senior Secured Notes Indenture), each as may be amended, restated, amended and restated, modified and/or supplemented on or prior to the Effective Date, and as the same may be further amended, restated, amended and restated, modified, supplemented, renewed, refinanced, extended, restructured or replaced in whole or in part from time to time in accordance with the terms hereof and thereof.

“Senior Secured Notes Indenture” shall mean that certain Indenture, dated as of January 25, 2021, between the Administrative Borrower, as issuer, and Wilmington Trust, National Association, as trustee and collateral agent, as amended, restated, amended and restated, modified and/or supplemented on or prior to the Effective Date, and as the same may be further amended, restated, amended and restated, modified, supplemented, renewed, refinanced, extended, restructured or replaced in whole or in part from time to time in accordance with the terms hereof and thereof.

“Settlement” shall have the meaning provided in Section 2.02(d)(i).

“Settlement Date” shall have the meaning provided in Section 2.02(d)(i).

“Significant Subsidiary” means any Restricted Subsidiary that would be a “significant subsidiary” as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Effective Date.

“Specified Transaction” shall mean any Permitted Acquisition, any other Investment in an Acquired Entity or Business, any Subsidiary Designation, any Permitted Asset Swaps, any Designated Sales, any Asset Sale (or, at the option of the Borrowers, any other disposition to a Person other than the Administrative Borrower or a Restricted Subsidiary), any Dividend, any Debt Repurchase or any other event that by the terms of this Agreement requires compliance on a “Pro Forma Basis” with a test or covenant hereunder.

“SOFR” means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day as administered by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“SOFR Adjustment” shall mean 0.10%.

“SPV” shall have the meaning provided in Section 12.04(d).

“Stated Maturity” shall mean, with respect to any security, the date specified in such security as the fixed date on which the final payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision (but excluding any provisions providing for the repurchase of such security at the option of the holder thereof upon the happening of any contingency unless such contingency has occurred).

“Station” shall mean a radio or television station operated to broadcast commercial radio or television programming over signals within a specified geographic area.

“Subordinated Indebtedness” shall mean, with respect to any Person, any Indebtedness (whether outstanding on the Effective Date or thereafter incurred) which is expressly (a) if incurred by a Borrower, subordinated in right of payment to the Obligations or (b) if incurred by a Restricted Subsidiary, subordinated in right of payment to the guarantee and other obligations made by such Restricted Subsidiary pursuant to the Guaranty and the Obligations, as the same relate to a Restricted Subsidiary.

“Subsidiary” shall mean, with respect to any Person:

(1) any corporation, association, or other business entity (other than a partnership, joint venture, limited liability company or similar entity) of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time of determination owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof; or

(2) any partnership, joint venture, limited liability company or similar entity of which:

(a) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general or limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof whether in the form of membership, general, special or limited partnership interests or otherwise; and

(b) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

“Subsidiary Designation” shall have the meaning provided in Section 8.14.

“Subsidiary Guarantor” shall mean each Restricted Subsidiary of the Administrative Borrower (other than any Excluded Subsidiary of the Administrative Borrower) that executes the Guaranty in accordance with the terms and provisions of this Agreement.

“Successor Rate” shall have the meaning provided in Section 2.14(a).

“Super Majority Lenders” shall mean, at any time, Lenders holding (a) more than 66-2/3% of the sum of the Revolving Loan Commitment or (b) if the Revolving Loan Commitment has been terminated, more than 66-2/3% of the then aggregate outstanding principal balance of the Loans; provided, that at any time there are two (2) or more Lenders (excluding for this purpose any Affiliates of any Lender), “Super Majority Lenders” shall require not less than two (2) of such Lenders.

“Swap Obligations” shall mean, with respect to any Subsidiary Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act.

“Synthetic Lease” shall mean a lease transaction under which the parties intend that (i) the lease will be treated as an “operating lease” by the lessee and (ii) the lessee will be entitled to various tax and other benefits ordinarily available to owners (as opposed to lessees) of like property.

"Taxes" shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Term SOFR" shall mean

(a) for any Interest Period with respect to a Term SOFR Loan, the rate per annum equal to the Term SOFR Screen Rate two (2) U.S. Government Securities Business Days prior to the commencement of such Interest Period with a term equivalent to such Interest Period; provided that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto, in each case, plus the SOFR Adjustment; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the Term SOFR Screen Rate two U.S. Government Securities Business Days prior to such date with a term of one month commencing that day; provided that if the rate is not published prior to 11:00 a.m. on such determination date then Term SOFR means the Term SOFR Screen Rate on the first U.S. Government Securities Business Day immediately prior thereto, in each case, plus the SOFR Adjustment;

provided that if Term SOFR determined in accordance with either of the foregoing provisions (a) or (b) of this definition would otherwise be less than 0.50%, Term SOFR shall be deemed 0.50% for purposes of this Agreement.

"Term SOFR Loan" shall mean each Loan that accrues interest by reference to clause (a) of the definition of "Term SOFR" in accordance with the terms of this Agreement.

"Term SOFR Replacement Date" shall have the meaning provided in Section 2.14(a).

"Term SOFR Screen Rate" means the forward-looking SOFR term rate administered by CME (or any successor administrator satisfactory to the Administrative Agent) and published on the applicable Reuters screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time).

"Test Period" shall mean each period of four (4) consecutive Fiscal Quarters of the Administrative Borrower then last ended, in each case taken as one accounting period.

"Title Company" shall have the meaning provided in Section 5.13.

"Thirty-Day Availability" shall mean each day's Availability during the thirty (30) consecutive day period immediately preceding the date of the action or proposed action on which it is being determined whether the Payment Conditions have been satisfied.

"Total Assets" shall have the meaning provided in the Senior Secured Notes Indenture as in effect on the date hereof.

"Total Commitment" shall mean, at any time, the sum of the Commitments of each of the Lenders at such time.

"Transaction" shall mean, collectively, (a) the execution, delivery and performance by each Credit Party of the Credit Documents to which it is a party, the incurrence of Loans on the Effective Date

and the use of proceeds thereof, (b) the Refinancing and (c) the payment of all fees and expenses incurred in connection with the foregoing.

“TV One” shall mean TV One, LLC, a Delaware limited liability company.

“Type” shall mean the type of Loan determined with regard to the interest option applicable thereto, i.e., whether a Base Rate Loan or a Term SOFR Loan.

“UCC” shall mean the New York Uniform Commercial Code, as in effect from time to time; provided, however, that, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection, priority, or remedies with respect to Agent’s Liens on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of New York, the term “UCC” shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority, or remedies.

“ULF Quarter” shall mean, solely for the purposes of calculating the unused line fee set forth in Section 3.01, (a) the period commencing on January 1 of each year and ending on March 31 of each year, (b) the period commencing on April 1 of each year and ending on June 30 of each year, (c) the period commencing on July 1 of each year and ending on September 30 of each year, and (d) the period commencing on October 1 of each year and ending on December 31 of each year.

“Unfunded Pension Liability” of any Plan shall mean the amount, if any, by which the value of the accumulated plan benefits under the Plan, determined on a plan termination basis in accordance with actuarial assumptions at such time consistent with those prescribed by the PBGC for purposes of Section 4044 of ERISA, exceeds the fair market value of all plan assets (excluding any accrued but unpaid contributions).

“UK Financial Institution” means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

“UK Resolution Authority” means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

“United States” and “U.S.” shall each mean the United States of America.

“Unrestricted” shall mean, when referring to cash or Cash Equivalents of the Administrative Borrower or any of its Restricted Subsidiaries, that such cash or Cash Equivalents are not Restricted.

“Unrestricted Subsidiary” shall mean:

- (a) as of the Effective Date, any entity set forth on Schedule 1.01B;
- (b) any other Subsidiary of the Administrative Borrower that is designated by the board of directors of the Administrative Borrower as an Unrestricted Subsidiary pursuant to a board resolution and in accordance with Section 8.1, but only to the extent that such Subsidiary:

(i) has no Indebtedness other than Non-Recourse Debt;

(ii) is not party to any agreement, contract, arrangement or understanding with the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Administrative Borrower or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Administrative Borrower;

(iii) is a Person with respect to which neither the Administrative Borrower nor any of its Restricted Subsidiaries has any direct or indirect obligation (A) to subscribe for additional Equity Interests or (B) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(iv) has not guaranteed or otherwise directly or indirectly provided credit support for any Indebtedness of the Administrative Borrower or any of its Restricted Subsidiaries; and

(c) any Subsidiary of an Unrestricted Subsidiary.

Any future designation of a Subsidiary of the Administrative Borrower as an Unrestricted Subsidiary will be evidenced to the Administrative Agent by filing the board resolution giving effect to such designation and an officer's certificate certifying that such designation complied with the preceding conditions and was permitted by Section 8.14. If, at any time, any Unrestricted Subsidiary would fail to meet the preceding requirements as an Unrestricted Subsidiary then such Unrestricted Subsidiary will thereafter cease to be an Unrestricted Subsidiary for all purposes of this Agreement, including that any Indebtedness of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Administrative Borrower as of such date and any Lien of such Subsidiary will be deemed to be incurred by a Restricted Subsidiary of the Administrative Borrower as of such date, and if such Indebtedness is not permitted to be incurred as of such date pursuant to Section 9.04 or such Lien is not permitted to be incurred as of such date pursuant to Section 9.01 then, in either case, the Borrowers will be in default of such covenant.

"U.S. Government Securities Business Day" means any Business Day, except any Business Day on which any of the Securities Industry and Financial Markets Association, the New York Stock Exchange or the Federal Reserve Bank of New York is not open for business because such day is a legal holiday under the federal laws of the United States or the laws of the State of New York, as applicable.

"U.S. Tax Compliance Certificate" shall have the meaning provided in Section 4.04(f).

"Voting Stock" of any Person as of any date shall mean the Equity Interests of such Person that is at the time entitled (without regard to the occurrence of any contingency) to vote in the election of the board of directors of such Person.

"Weighted Average Life to Maturity" shall mean, when applied to any Indebtedness or Preferred Equity, as the case may be, at any date, the quotient obtained by dividing (a) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness or redemption or similar payment with respect to such Preferred Equity multiplied by the amount of such payment; by (b) the sum of all such payments; provided that for purposes of the Weighted Average Life to Maturity of such Indebtedness, the effects of any prepayments or amortization made on such Indebtedness prior to the date of the applicable modification, refinancing, refunding, renewal, replacement or extension shall be disregarded.

“Wholly-Owned Domestic Restricted Subsidiary” shall mean, as to any Person, any Wholly-Owned Subsidiary of such Person which is a Domestic Restricted Subsidiary.

“Wholly-Owned Foreign Restricted Subsidiary” shall mean, as to any Person, any Wholly-Owned Restricted Subsidiary of such Person which is a Foreign Subsidiary.

“Wholly-Owned Restricted Subsidiary” shall mean, as to any Person, any Wholly-Owned Subsidiary of such Person which is a Restricted Subsidiary.

“Wholly-Owned Subsidiary” shall mean, as to any Person, (i) any corporation ninety percent (90%) of whose outstanding Equity Interests is at the time owned by such Person and/or one or more Wholly-Owned Subsidiaries of such Person and any other outstanding Equity Interests are owned by officers, directors or employees of such Person and (ii) any partnership, limited liability company, association, joint venture or other entity in which such Person and/or one or more Wholly-Owned Subsidiaries of such Person has a one hundred percent (100%) equity interest at such time (other than, in the case of a Subsidiary of the Administrative Borrower with respect to the preceding clauses (i) and (ii), director’s qualifying shares and/or other nominal amount of shares required to be held by Persons other than the Administrative Borrower and its Subsidiaries under applicable law).

“Write-Down and Conversion Powers” means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

1.02. Other Definitional Provisions. (a) Unless otherwise specified therein, all terms defined in this Agreement shall have the defined meanings when used in the other Credit Documents or any certificate or other document made or delivered pursuant hereto or thereto.

(b) As used herein and in the other Credit Documents, and any certificate or other document made or delivered pursuant hereto or thereto, (i) accounting terms not defined in Section 1.01 shall have the respective meanings given to them under GAAP, (ii) the words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”, (iii) the word “incur” shall be construed to mean incur, create, issue, assume, become liable in respect of or suffer to exist (and the words “incurred” and “incurrence” shall have correlative meanings); provided, however, that any Indebtedness or Equity Interest of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) will be deemed to be incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and any Indebtedness pursuant to any revolving credit or similar facility shall only be “incurred” at the time any funds are borrowed thereunder, (iv) unless the context otherwise requires, the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, Equity Interests, securities, revenues, accounts, leasehold interests and contract rights, (v) the word “will” shall be construed to have the same meaning and effect as the word “shall”, (vi) unless the context otherwise requires, any reference herein (A) to any Person shall be construed to include such Person’s permitted successors and assigns and (B) to any Borrower or any other Credit Party shall be construed to include such Borrower or such Credit Party as debtor and debtor-in-possession and any receiver or trustee

for such Borrower or any other Credit Party, as the case may be, in any insolvency or liquidation proceeding, (vii) references to "knowledge" or similar phrases referring to "knowledge" shall be interpreted to mean the actual knowledge of an Authorized Officer of the applicable Person (or, if no Person is specified, an Authorized Officer of the Administrative Borrower and the other Credit Parties), (viii) the words "asset" and "property" shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights, (ix) an Event of Default shall exist or continue or be continuing until such Event of Default is waived in writing by Administrative Agent in accordance with the terms and conditions hereof, and (x) all references to any Governmental Authority, shall include any other Governmental Authority that shall have succeeded to any or all of the functions thereof.

(c) The words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(e) For purposes of determining compliance with Section 9.05 at any time, in the event that any Investment meets the criteria of one or more than one of the categories of transactions permitted pursuant to any clause of Section 9.05, such transaction (or portion thereof) at any time shall be permitted under one or more of such clauses as reasonably determined, without duplication, by the Administrative Borrower at such time.

(f) Any reference herein or in any other Credit Document to the satisfaction, repayment, or payment in full (or paid in full) of the Obligations or the Guaranteed Obligations (as defined in the Guaranty) shall mean (i) the payment or repayment in full in immediately available funds of (A) the principal amount of, and interest accrued and unpaid with respect to, all outstanding Loans, together with the payment of any premium applicable to the repayment of the Loans, (B) all costs and expenses required to be paid to the Administrative Agent, the Collateral Agent and the Lenders under the Credit Documents that have accrued and are unpaid regardless of whether demand has been made therefor, and (C) all Fees or charges that have accrued hereunder or under any other Credit Document and are unpaid, (ii) in the case of contingent reimbursement obligations with respect to Letters of Credit, providing Letter of Credit Collateralization, (iii) in the case of Bank Product Obligations (other than Hedge Obligations), providing Bank Product Collateralization, (iv) the receipt by the Administrative Agent of cash collateral in order to secure any other contingent Obligations for which a claim or demand for payment has been made on or prior to such time or in respect of matters or circumstances known to the Administrative Agent or a Lender at such time that are reasonably expected to result in any loss, cost, damage, or expense which is required to be reimbursed pursuant to the Credit Documents (including reasonable attorneys' fees and legal expenses), such cash collateral to be in such amount as the Administrative Agent reasonably determines is appropriate to secure such contingent Obligations, (v) the payment or repayment in full in immediately available funds of all other outstanding Obligations (including the payment of any termination amount then applicable (or which would or could become applicable as a result of the repayment of the other Obligations) under Hedge Agreements provided by Hedge Providers), in each case, other than (A)(1) unasserted contingent indemnification Obligations and (2) indemnities described in Section 7.1 of the Security Agreement and in Section 12.01 hereof that, in either case, are not then due and payable, (B) any Bank Product Obligations (other than Hedge Obligations) that, at such time, are allowed by the applicable Bank Product Provider to remain outstanding without being required to be repaid or cash collateralized, and (C) any Hedge Obligations that, at such time, are allowed by the applicable Hedge Provider to remain outstanding without being required to be repaid, and (vi) the termination of all of the Commitments of the Lenders.

1.03. Rounding. Any financial ratios required to be maintained by the Borrowers pursuant to this Agreement (or required to be satisfied in order for a specific action to be permitted under this Agreement) shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding up if there is no nearest number).

1.04. Calculations; Computations. (a) The financial statements to be furnished to the Lenders pursuant hereto shall be made and prepared in accordance with GAAP consistently applied throughout the periods involved (except as set forth in the notes thereto or as otherwise disclosed in writing by the Administrative Borrower to the Administrative Agent); provided, that, (i) to the extent expressly provided herein, certain calculations shall be made on a Pro Forma Basis; and (ii) except as otherwise expressly provided herein, for purposes of calculating financial terms, all covenants and related definitions, all such calculations based on the operations of the Administrative Borrower and its Restricted Subsidiaries on a consolidated basis shall be made without giving effect to the operations of any Unrestricted Subsidiaries.

(b) All computations of interest and other Fees hereunder shall be made on the basis of a year of three hundred sixty (360) days (except for interest calculated by reference to the Prime Lending Rate, which shall be based on a year of three hundred sixty-five (365) or three hundred sixty-six (366) days, as applicable) for the actual number of days (including the first day but excluding the last day) occurring in the period for which such interest or Fees are payable.

1.05. References to Agreements, Laws, Etc. Unless otherwise expressly provided herein, (a) references to organizational documents, agreements (including the Credit Documents) and other contractual instruments shall be deemed to include all subsequent amendments, amendments and restatements, restatements, extensions, supplements and other modifications thereto, but only to the extent that such amendments, amendments and restatements, restatements, extensions, supplements and other modifications are permitted by the Credit Documents; and (b) references to any law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such law (including by succession of comparable successor laws).

1.06. Timing of Payment of Performance. When the payment of any obligation or the performance of any covenant, duty or obligation is stated to be due or performance required on a day which is not a Business Day, the date of such payment (other than as described in the definition of Interest Period) or performance shall extend to the immediately succeeding Business Day (except where otherwise expressly provided herein).

1.07. Certifications. All certifications to be made hereunder by an officer or representative of a Credit Party shall be made by such person in his or her capacity solely as an officer or a representative of such Credit Party, on such Credit Party's behalf and not in such Person's individual capacity.

1.08. Divisions. For all purposes under the Credit Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws): (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

1.09. Interest Rates. The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to any reference rate referred to herein or with respect to any rate (including, for the avoidance of doubt, the selection of such rate and any related spread or other adjustment) that is an alternative or



replacement for or successor to any such rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or the effect of any of the foregoing, or of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions or other activities that affect any reference rate referred to herein, or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing) or any related spread or other adjustments thereto, in each case, in a manner adverse to the Borrowers. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain any reference rate referred to herein or any alternative, successor or replacement rate (including, without limitation, any Successor Rate) (or any component of any of the foregoing), in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrowers, any Lender or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or other action or omission related to or affecting the selection, determination, or calculation of any rate (or component thereof) provided by any such information source or service.

SECTION 2. Amount and Terms of Credit.

2.01. Revolving Loans and Borrowings.

(a) Subject to the terms and conditions of this Agreement, and during the term of this Agreement, each Lender with a Revolving Loan Commitment agrees (severally, not jointly or jointly and severally) to make revolving loans ("Revolving Loans") to the Borrowers in an amount at any one time outstanding not to exceed *the lesser of*:

- (i) such Lender's Revolving Loan Commitment Amount, or
- (ii) such Lender's Pro Rata Share of an amount equal to *the lesser of*:
  - (A) the Revolving Loan Limit *less* the Letter of Credit Usage at such time, or
  - (B) the Borrowing Base at such time *less* the Letter of Credit Usage at such time.

(b) Amounts borrowed pursuant to this Section 2.01 may be repaid and, subject to the terms and conditions of this Agreement, reborrowed at any time during the term of this Agreement. The outstanding principal amount of the Revolving Loans, together with interest accrued and unpaid thereon, shall be due and payable on the Maturity Date or, if earlier, on the date on which they are declared due and payable pursuant to the terms of this Agreement.

(c) Anything to the contrary in this Section 2.01 notwithstanding, Administrative Agent shall have the right (but not the obligation) to, upon five (5) Business Days' prior written notice (during which period the Administrative Agent shall discuss any such proposed establishment, increase, reduction, elimination or other adjustment with the Administrative Borrower and the Administrative Borrower may take such actions as may be required to ensure that the event, condition or matter that is the basis of such establishment, increase, reduction, elimination or other adjustment no longer exists such that the applicable reserve is eliminated) to the Administrative Borrower (provided that such establishment, increase, reduction, elimination or other adjustment of a reserve shall become effective immediately upon the delivery of such written notice for purposes of determining Availability in connection with any Credit Event thereafter), establish, increase, reduce, eliminate, or otherwise adjust reserves from time to time against the Borrowing Base or the Revolving Loan Limit in such amounts, and with respect to such matters

(but without duplication), as Administrative Agent in its Permitted Discretion shall deem necessary or appropriate, including (i) reserves in an amount equal to the Bank Product Reserve Amount, and (ii) reserves with respect to (A) sums that the Administrative Borrower or its Restricted Subsidiaries are required to pay under any Section of this Agreement or any other Credit Document (such as Taxes, assessments, insurance premiums, or, in the case of leased assets, rents or other amounts payable under such leases) and has failed to pay when due, and (B) amounts owing by the Administrative Borrower or its Restricted Subsidiaries to any Person to the extent secured by a Lien on, or trust over, any of the Collateral (other than a Permitted Lien), which Lien or trust, in Administrative Agent's Permitted Discretion, likely would have a priority superior to Administrative Agent's Liens (such as Liens or trusts in favor of landlords, warehousemen, carriers, mechanics, materialmen, laborers, or suppliers, or Liens or trusts for *ad valorem*, excise, sales, or other Taxes where given priority under applicable law) in and to such item of the Collateral.

(d) The Revolving Loan Commitment shall terminate on the Maturity Date. The Borrowers may reduce the Revolving Loan Commitment, without premium or penalty, by providing written notice of their intent to do so, to an amount not less than the sum of (i) the Revolver Usage as of such date, plus (ii) the principal amount of all Revolving Loans not yet made as to which a request has been given by the Borrowers under Section 2.02(a), plus (iii) the amount of all Letters of Credit not yet issued as to which a request has been given by the Borrowers pursuant to Section 2.04(a). Each such reduction shall be in an amount which is not less than \$1,000,000 (unless the Revolving Loan Commitment is being reduced to zero and the amount of the Revolving Loan Commitment in effect immediately prior to such reduction are less than \$1,000,000), shall be made by providing not less than five (5) Business Days prior written notice to Administrative Agent and shall be irrevocable.

Once reduced, the Revolving Loan Commitment may not be increased unless the Borrowers, Administrative Agent and Required Lenders otherwise agree in writing, and subject to consent of each such Lender which Revolving Loan Commitment is being increased in accordance with Section 12.12. Each such reduction of the Revolving Loan Commitment shall reduce the Revolving Loan Commitment Amount of each Revolving Lender proportionately in accordance with its Pro Rata Share thereof.

## 2.02. Advancing Revolving Loans and Settlements

(a) Procedure for Borrowing. Each Borrowing shall be made by the delivery of a Notice of Borrowing duly executed by an Authorized Officer of the Administrative Borrower delivered to Administrative Agent (which may be delivered through Administrative Agent's electronic platform or portal). Such notice shall be irrevocable and must be received by Administrative Agent no later than 1:00 p.m. (New York time) (x) with respect to Term SOFR Loans, two (2) Business Days immediately preceding the requested Funding Date, and (y) with respect to Base Rate Loans, on the Business Day immediately preceding the requested Funding Date, in each case, specifying (i) the amount of such Borrowing and which Borrower is requesting such Borrowing, (ii) the requested Funding Date, which shall be a Business Day, (iii) the Type of Revolving Loans to be borrowed and (iii) if applicable, the duration of the Interest Period with respect thereto. At Administrative Agent's election, in lieu of delivering the above-described written request, any Authorized Officer of the Administrative Borrower may give Administrative Agent telephonic notice of such request by the required time. In such circumstances, the Administrative Borrower agrees that any such telephonic notice will be confirmed in writing within twenty-four (24) hours of the giving of such telephonic notice, but the failure to provide such written confirmation shall not affect the validity of the request. All Borrowing requests which are not made on-line via Administrative Agent's electronic platform or portal shall be subject to (and unless Administrative Agent elects otherwise in the exercise of its sole discretion, such Borrowings shall not be made until the completion of) Administrative Agent's authentication process (with results satisfactory to Administrative Agent) prior to the funding of any such requested Borrowing.

(b) Making of Loans.

(i) Promptly after receipt of a request for a Borrowing pursuant to Section 2.02(a), Administrative Agent shall notify the Revolving Lenders, not later than 2:00 p.m. (New York time) on the Business Day immediately preceding the Funding Date applicable thereto, by telecopy, telephone, or other similar form of transmission, of the requested Borrowing. Each Revolving Lender shall make the amount of such Revolving Lender's Pro Rata Share of the requested Borrowing available to Administrative Agent in immediately available funds, to Administrative Agent's Account, not later than 10:00 a.m. (New York time) on the Funding Date applicable thereto. After Administrative Agent's receipt of the proceeds of such Revolving Loans, Administrative Agent shall make the proceeds thereof available to the applicable Borrower on the applicable Funding Date by transferring immediately available funds equal to such proceeds received by Administrative Agent to the Designated Account; provided, however, that subject to the provisions of Section 2.02(c)(ii), Administrative Agent shall not request any Revolving Lender to make, and no Revolving Lender shall have the obligation to make, any Revolving Loan if (A) one or more of the applicable conditions precedent set forth in Section 3 will not be satisfied on the requested Funding Date for the applicable Borrowing unless such condition has been waived, or (B) the requested Borrowing would exceed the Availability on such Funding Date.

(ii) Unless Administrative Agent receives notice from a Revolving Lender prior to 9:00 a.m. (New York time) on the date of a Borrowing, that such Revolving Lender will not make available as and when required hereunder to Administrative Agent for the account of the applicable Borrower the amount of that Revolving Lender's Pro Rata Share of the Borrowing, Administrative Agent may assume that each Revolving Lender has made or will make such amount available to Administrative Agent in immediately available funds on the Funding Date and Administrative Agent may (but shall not be so required), in reliance upon such assumption, make available to the applicable Borrower on such date a corresponding amount. If any Revolving Lender shall not have made its full amount available to Administrative Agent in immediately available funds and if Administrative Agent in such circumstances has made available to the applicable Borrower such amount, that Revolving Lender shall on the Business Day following such Funding Date make such amount available to Administrative Agent, together with interest at the Defaulted Lender Rate for each day during such period. A notice submitted by Administrative Agent to any Revolving Lender with respect to amounts owing under this Section 2.02(b)(ii) shall be conclusive, absent manifest error. If such amount is so made available, such payment to Administrative Agent shall constitute such Revolving Lender's Revolving Loan on the date of Borrowing for all purposes of this Agreement. If such amount is not made available to Administrative Agent on the Business Day following the Funding Date, Administrative Agent will notify the Administrative Borrower of such failure to fund and, upon demand by Administrative Agent, the Borrowers shall pay such amount to Administrative Agent for Administrative Agent's account, together with interest thereon for each day elapsed since the date of such Borrowing, at a rate per annum equal to the interest rate applicable at the time to the Revolving Loans composing such Borrowing; provided, that such repayment shall not constitute a waiver of any of the Borrowers' rights under this Agreement.

(iii) [Intentionally Omitted].

(iv) If requested by a Lender, the portion of the Revolving Loans made by such Lender shall be evidenced by a promissory note executed by the Borrowers in an original principal amount equal to such Lender's Revolving Loan Commitment Amount.

(c) Protective Advances and Optional Overadvances.

(i) Any contrary provision of this Agreement or any other Credit Document notwithstanding, Administrative Agent hereby is authorized by the Borrowers and the Lenders, from time

to time in Administrative Agent's Permitted Discretion, to make Revolving Loans to, or for the benefit of, the Borrowers on behalf of the Lenders that Administrative Agent, in its Permitted Discretion, deems necessary or desirable (A) to preserve or protect the Collateral, or any portion thereof, or (B) to enhance the likelihood of repayment of the Obligations (other than the Bank Product Obligations) (any of the Revolving Loans described in this Section 2.02(c)(i) shall be referred to as "Protective Advances").

(ii) Any contrary provision of this Agreement or any other Credit Document notwithstanding, the Lenders hereby authorize Administrative Agent and Administrative Agent may, but is not obligated to, knowingly and intentionally, continue to make Revolving Loans to the Borrowers notwithstanding that an Overadvance exists or thereby would be created, so long as (A) after giving effect to such Revolving Loans, the outstanding Revolver Usage (except for and excluding amounts charged to the Loan Account for interest, fees, or expenses) does not exceed the Revolving Loan Limit and (B) at the time of the making of any such Revolving Loan, Administrative Agent does not believe, in good faith, that the Overadvance created by such Revolving Loan will be outstanding for more than ninety (90) days. In the event Administrative Agent obtains actual knowledge that the Revolver Usage exceeds the amounts permitted by the immediately foregoing provisions, regardless of the amount of, or reason for, such excess, Administrative Agent shall notify the Lenders as soon as practicable (and prior to making any (or any additional) intentional Overadvances (except for and excluding amounts charged to the Loan Account for interest, fees, costs and expenses) unless Administrative Agent determines that prior notice would result in imminent harm to the Collateral or its value, in which case Administrative Agent may make such Overadvances and provide notice as promptly as practicable thereafter), and the Lenders thereupon shall, together with Administrative Agent, jointly determine the terms of arrangements that shall be implemented with the Borrowers intended to reduce, within a reasonable time, the outstanding principal amount of the Revolving Loans to the Borrowers to an amount permitted by the preceding sentence. In such circumstances, if any Lender objects to the proposed terms of reduction or repayment of any Overadvance, the terms of reduction or repayment thereof shall be implemented according to the determination of the Required Lenders. In any event: (x) if any unintentional Overadvance remains outstanding for more than thirty (30) days, unless otherwise agreed to by the Required Lenders, the Borrowers shall immediately repay Revolving Loans in an amount sufficient to eliminate all such unintentional Overadvances, and (y) after the date all such Overadvances have been eliminated, there must be at least five (5) consecutive days before intentional Overadvances are made. The foregoing provisions are meant for the benefit of the Lenders and Administrative Agent and are not meant for the benefit of the Borrowers, which shall continue to be bound by the provisions of Section 2.02(h). Each Revolving Lender shall be obligated to settle with Administrative Agent as provided in Section 2.02(d) (or Section 2.02(f), as applicable) for the amount of such Revolving Lender's Pro Rata Share of any unintentional Overadvances by Administrative Agent reported to such Lender, any intentional Overadvances made as permitted under this Section 2.02(c)(ii), and any Overadvances resulting from the charging to the Loan Account of interest, costs, fees and expenses.

(iii) Each Protective Advance made for the account of Administrative Agent and each Overadvance shall be deemed to be a Revolving Loan hereunder; except, that, no Protective Advance or Overadvance shall be eligible to be a Term SOFR Loan and, prior to settlement therefor, all payments on the Protective Advances shall be payable to the Administrative Agent solely for its own account. The Protective Advances and Overadvances shall be repayable on demand, secured by Administrative Agent's Liens, constitute Obligations hereunder, and bear interest at the rate applicable from time to time to Revolving Loans that are Base Rate Loans. The ability of Administrative Agent to make Protective Advances is separate and distinct from its ability to make Overadvances and its ability to make Overadvances is separate and distinct from its ability to make Protective Advances. For the avoidance of doubt, the limitations on Administrative Agent's ability to make Protective Advances do not apply to Overadvances and the limitations on Administrative Agent's ability to make Overadvances do not apply to Protective Advances. The provisions of this Section 2.02(c) are for the exclusive benefit of Administrative Agent and the Lenders and are not intended to benefit the Borrowers in any way.

(d) Settlement. It is agreed that each Revolving Lender's funded portion of the Revolving Loans is intended by the Revolving Lenders to equal, at all times, such Revolving Lender's Pro Rata Share of the outstanding Revolving Loans. Such agreement notwithstanding, Administrative Agent and the other Revolving Lenders agree (which agreement shall not be for the benefit of the Borrowers) that in order to facilitate the administration of this Agreement and the other Credit Documents, settlement among the Revolving Lenders as to the Revolving Loans and the Protective Advances funded by Administrative Agent shall take place on a periodic basis in accordance with the following provisions:

(i) Administrative Agent shall request settlement ("Settlement") with the Revolving Lenders on a weekly basis, or on a more frequent basis if so determined by Administrative Agent (A) for itself, with respect to the outstanding Protective Advances funded by Administrative Agent, and (2) with respect to the Administrative Borrower's or its Subsidiaries' collections out of the Collateral or payments received, as to each by notifying the Revolving Lenders by telecopy, telephone, or other similar form of transmission, of such requested Settlement, no later than 2:00 p.m. (New York time) on the Business Day immediately prior to the date of such requested Settlement (the date of such requested Settlement being the "Settlement Date"). Such notice of a Settlement Date shall include a summary statement of the amount of outstanding Revolving Loans and Protective Advances funded by Administrative Agent for the period since the prior Settlement Date. Subject to the terms and conditions contained herein (including Section 2.02(f)): (y) if the amount of the Revolving Loans (including Protective Advances funded by Administrative Agent) made by a Revolving Lender that is not a Defaulted Lender exceeds such Revolving Lender's Pro Rata Share of the Revolving Loans (including Protective Advances funded by Administrative Agent) as of a Settlement Date, then Administrative Agent shall, by no later than 12:00 p.m. (New York time) on the Settlement Date, transfer in immediately available funds to a Deposit Account of such Revolving Lender (as such Revolving Lender may designate), an amount such that each such Revolving Lender shall, upon receipt of such amount, have as of the Settlement Date, its Pro Rata Share of the Revolving Loans (including Protective Advances funded by Administrative Agent), and (z) if the amount of the Revolving Loans (including Protective Advances funded by Administrative Agent) made by a Revolving Lender is less than such Revolving Lender's Pro Rata Share of the Revolving Loans (including Protective Advances funded by Administrative Agent) as of a Settlement Date, such Revolving Lender shall no later than 12:00 p.m. (New York time) on the Settlement Date transfer in immediately available funds to Administrative Agent's Account, an amount such that each such Revolving Lender shall, upon transfer of such amount, have as of the Settlement Date, its Pro Rata Share of the Revolving Loans (including Protective Advances funded by Administrative Agent). Such amounts made available to Administrative Agent under clause (z) of the immediately preceding sentence shall be applied against the amounts of the Protective Advances funded by Administrative Agent and shall constitute Revolving Loans of such Revolving Lenders. If any such amount is not made available to Administrative Agent by any Revolving Lender on the Settlement Date applicable thereto to the extent required by the terms hereof, Administrative Agent shall be entitled to recover for its account such amount on demand from such Revolving Lender together with interest thereon at the Defaulted Lender Rate.

(ii) In determining whether a Revolving Lender's balance of the Revolving Loans and Protective Advances funded by Administrative Agent is less than, equal to, or greater than such Revolving Lender's Pro Rata Share of the Revolving Loans and Protective Advances funded by Administrative Agent as of a Settlement Date, Administrative Agent shall, as part of the relevant Settlement, apply to such balance the portion of payments actually received in good funds by Administrative Agent with respect to principal, interest, fees payable by the Borrowers and allocable to the Revolving Lenders hereunder, and proceeds of Collateral.

(iii) [Intentionally Omitted].

(iv) Anything in this Section 2.02(d) to the contrary notwithstanding, in the event that a Revolving Lender is a Defaulted Lender, Administrative Agent shall be entitled to refrain from remitting settlement amounts to the Defaulted Lender and, instead, shall be entitled to elect to implement the provisions set forth in Section 2.02(f).

(e) Notation. Administrative Agent, as a non-fiduciary agent for the Borrowers, shall maintain a register showing the principal amount of the Revolving Loans owing to each Lender, including the Protective Advances, and the interests therein of each Lender, from time to time. Such register shall, absent manifest error, conclusively be presumed to be correct and accurate, and the Borrowers, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The register shall, at any reasonable time and from time to time upon reasonable prior written notice to Administrative Agent, be made available for inspection by the Borrowers.

(f) Defaulted Lenders. Administrative Agent shall not be obligated to transfer to a Defaulted Lender any payments made by the Borrowers to Administrative Agent for the Defaulted Lender's benefit or any collections out of the Collateral or proceeds of Collateral that would otherwise be remitted hereunder to the Defaulted Lender, and, in the absence of such transfer to the Defaulted Lender, Administrative Agent shall transfer any such payments (i) first, to the Issuing Lender, to the extent of the portion of a Letter of Credit Disbursement that was required to be, but was not, repaid by the Defaulted Lender, (ii) second, to each non-Defaulted Lender ratably in accordance with their Commitments (but, in each case, only to the extent that such Defaulted Lender's portion of a Revolving Loan (or other funding obligation) was funded by such other non-Defaulted Lender), (iii) third, to a suspense account maintained by Administrative Agent, the proceeds of which shall be retained by Administrative Agent and may be made available to be re-advanced to or for the benefit of the Borrowers as if such Defaulted Lender had made its portion of Revolving Loans (or other funding obligations) hereunder, and (iv) from and after the date on which all other Obligations have been paid in full, to such Defaulted Lender. Subject to the foregoing, Administrative Agent may hold and, in its Permitted Discretion, re-lend to the Borrowers for the account of such Defaulted Lender the amount of all such payments received and retained by Administrative Agent for the account of such Defaulted Lender. Each Defaulted Lender agrees that all payments made by the Borrowers for any Loans shall be deemed to be made to all Lenders in accordance with their Pro Rata Share and no Defaulted Lender shall have a direct cause of action against the Borrowers for payments made to Administrative Agent that Administrative Agent has not paid over or credited to Defaulted Lender due to the terms of this Agreement. Solely for the purposes of voting or consenting to matters with respect to the Credit Documents (including the calculation of Pro Rata Share in connection therewith) and for the purpose of calculating the fee payable under Section 3.02, such Defaulted Lender shall be deemed not to be a "Lender" and such Lender's Commitment shall be deemed to be zero. The provisions of this Section 2.02(f) shall remain effective with respect to such Defaulted Lender until the earlier of (A) the date on which the non-Defaulted Lenders, Administrative Agent, and the Administrative Borrower shall have waived, in writing, the application of this Section 2.02(f) to such Defaulted Lender, or (B) the date on which such Defaulted Lender makes payment of all amounts that it was obligated to fund hereunder, pays to Administrative Agent all amounts owing by Defaulted Lender in respect of the amounts that it was obligated to fund hereunder, and, if requested by Administrative Agent, provides adequate assurance of its ability to perform its future obligations hereunder. The operation of this Section 2.02(f) shall not be construed to increase or otherwise affect the Commitment of any Lender, to relieve or excuse the performance by such Defaulted Lender or any other Lender of its duties and obligations hereunder, or to relieve or excuse the performance by the Borrowers of their duties and obligations hereunder to Administrative Agent or to the Lenders other than such Defaulted Lender. Any failure by a Defaulted Lender to fund amounts that it was obligated to fund hereunder shall constitute a material breach by such Defaulted Lender of this Agreement and shall entitle the Borrowers, at their option, upon written notice to Administrative Agent, to arrange for a substitute Lender to assume the Commitment of such Defaulted Lender, such substitute Lender to be

reasonably acceptable to Administrative Agent. In connection with the arrangement of such a substitute Lender, the Defaulted Lender shall have no right to refuse to be replaced hereunder, and agrees to execute and deliver a completed form of Assignment and Acceptance in favor of the substitute Lender (and agrees that it shall be deemed to have executed and delivered such document if it fails to do so) subject only to being repaid its share of the outstanding Obligations (other than Bank Product Obligations, but including (1) all interest, fees, and other amounts that may be due and payable in respect thereof, and (2) an assumption of its Pro Rata Share of the Letters of Credit); provided, however, that any such assumption of the Commitment of such Defaulted Lender shall not be deemed to constitute a waiver of any of the Lender's or the Borrowers' rights or remedies against any such Defaulted Lender arising out of or in relation to such failure to fund. In the event of a direct conflict between the priority provisions of this Section 2.02(f) and any other provision contained in this Agreement or any other Credit Document, it is the intention of the parties hereto that such provisions be read together and construed, to the fullest extent possible, to be in concert with each other. In the event of any actual, irreconcilable conflict that cannot be resolved as aforesaid, the terms and provisions of this Section 2.02(f) shall control and govern.

(g) Independent Obligations. All Revolving Loans (other than Protective Advances funded by Administrative Agent) shall be made by the Lenders contemporaneously and in accordance with their Pro Rata Shares. It is understood that (i) no Lender shall be responsible for any failure by any other Lender to perform its obligation to make any Revolving Loan (or other extension of credit) hereunder, nor shall any Commitment of any Lender be increased or decreased as a result of any failure by any other Lender to perform its obligations hereunder, and (ii) no failure by any Lender to perform its obligations hereunder shall excuse any other Lender from its obligations hereunder.

(h) Overadvances. If, at any time or for any reason, the amount of Obligations (excluding Bank Product Obligations) owed by the Borrowers to the Revolving Lenders pursuant to Section 2.01(a) or Section 2.04 is greater than any of the limitations set forth in Section 2.01(a) or Section 2.04, as applicable (an "Overadvance"), except as otherwise provided for under Section 2.02(c), the Borrowers shall promptly (no later than one (1) Business Day after the occurrence of such Overadvance) pay to Administrative Agent, in cash, the amount of such excess in accordance with Section 2.03(b).

(i) Disqualification of a Lender. If any Lender is subject to a Disqualification (and such Lender is notified by the Administrative Borrower or the Administrative Agent in writing of such Disqualification), the Borrowers shall have the right to replace such Lender with a Lender acceptable to the Administrative Agent in its reasonable discretion or prepay the Loans held by such Lender, even if a Default or an Event of Default exists. Any such prepayment shall not be subject to any prepayment premium and shall not be required to be made on a pro rata basis. Notice to such Lender shall be given at least ten (10) days before the required date of transfer or prepayment (unless a shorter period is required by any applicable Gaming Law), as the case may be, and shall be accompanied by evidence demonstrating that such transfer or redemption is required under applicable Gaming Laws and based on the definition of Disqualification. Upon receipt of a notice in accordance with the foregoing, the Lender that is subject to Disqualification shall cooperate with the Borrowers in effectuating the required transfer or prepayment within the time period set forth in such notice, not to be less than the minimum notice period set forth in the foregoing sentence (unless a shorter period is required under any applicable Gaming Law). Further, if the transfer or prepayment is triggered by notice from a Gaming Authority that the Lender is subject to a Disqualification, commencing on the date such Gaming Authority provides the disqualification notice to the Administrative Borrower, to the extent prohibited by Gaming Law: (i) such Lender shall no longer exercise, directly or through any trustee or nominee, any right conferred by the Loans; and (ii) such Lender shall not receive any remuneration in any form from the Borrowers for services or otherwise in respect of the Loans (other than payments with respect to principal, interest, fees and other amounts owed to such Lender).

(j) Conforming Changes. With respect to SOFR or Term SOFR, the Administrative Agent will have the right, in consultation with the Borrower Representative, to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Credit Document; provided that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Borrowers and the Lenders promptly after such amendment becomes effective.

2.03. Mandatory and Optional Revolving Loan Repayments.

(a) Repayment Upon Termination Date. The Revolving Loan Commitment shall terminate upon the earlier to occur of (i) the Maturity Date and (ii) any date on which Administrative Agent or Required Lenders elect to terminate the Revolving Loan Commitment pursuant to the last paragraph in Section 10 (such earlier date being the "Termination Date"). On the Termination Date, there shall become due, and the Borrowers shall pay, the entire outstanding principal amount of each Revolving Loan, together with accrued and unpaid Obligations pertaining thereto.

(b) Borrowing Base. If, at any time, (i) the Revolver Usage on such date exceeds (ii) the Borrowing Base (such excess being referred to as the "Borrowing Base Excess"), then the Borrowers shall promptly (no later than one (1) Business Day after the occurrence of such Borrowing Base Excess) prepay the Revolving Loans in accordance in an aggregate amount equal to the Borrowing Base Excess. If, at any time, (x) the Revolver Usage on such date exceeds (y) the aggregate amount of Revolving Loans permitted pursuant to Section 2.01(a) (such excess being referred to as the "Excess Revolving Loans"), then the Borrowers shall promptly (no later than one (1) Business Day after the occurrence of such Excess Revolving Loans) prepay the Revolving Loans in an aggregate amount equal to the Excess Revolving Loans.

2.04. Letters of Credit.

(a) Subject to the terms and conditions of this Agreement, upon the request of the Administrative Borrower made in accordance herewith, the Issuing Lender agrees to issue a requested Letter of Credit. By submitting a request to Issuing Lender for the issuance of a Letter of Credit, the Administrative Borrower shall be deemed to have requested that Issuing Lender issue the requested Letter of Credit. Each request for the issuance of a Letter of Credit, or the amendment, renewal, or extension of any outstanding Letter of Credit, shall be made in writing by an Authorized Officer and delivered to the Issuing Lender via hand delivery, telefacsimile, or other electronic method of transmission reasonably in advance of the requested date of issuance, amendment, renewal, or extension. Each such request shall be in form and substance reasonably satisfactory to the Issuing Lender and shall specify (i) the amount of such Letter of Credit, (ii) the date of issuance, amendment, renewal, or extension of such Letter of Credit, (iii) the expiration date of such Letter of Credit, (iv) the name and address of the beneficiary of the Letter of Credit, and (v) such other information (including, in the case of an amendment, renewal, or extension, identification of the Letter of Credit to be so amended, renewed, or extended) as shall be necessary to prepare, amend, renew, or extend such Letter of Credit. Anything contained herein to the contrary notwithstanding, the Issuing Lender may, but shall not be obligated to, issue or cause the issuance of a Letter of Credit that supports the obligations of the Administrative Borrower or its Restricted Subsidiaries (1) in respect of (A) a lease of real property, or (B) an employment contract, or (2) at any time that one or more of the Revolving Lenders is a Defaulted Lender. The Issuing Lender shall have no obligation to issue a Letter of Credit if any of the following would result after giving effect to the requested issuance:



- Revolving Loans, or
- (i) the Letter of Credit Usage would exceed the Borrowing Base/less the outstanding amount of
  - (ii) the Letter of Credit Usage would exceed \$5,000,000, or
  - (iii) the Letter of Credit Usage would exceed the Revolving Loan Limit/less the outstanding amount of Revolving Loans.

Each Letter of Credit shall be in form and substance reasonably acceptable to the Issuing Lender, including the requirement that the amounts payable thereunder must be payable in Dollars, and shall expire on a date no more than twelve (12) months after the date of issuance or last renewal of such Letter of Credit, which date shall be no later than the Stated Maturity Date. If Issuing Lender makes a payment under a Letter of Credit, the Borrowers shall pay to Administrative Agent an amount equal to the applicable Letter of Credit Disbursement on the Business Day such Letter of Credit Disbursement is made and, in the absence of such payment, the amount of the Letter of Credit Disbursement immediately and automatically shall be deemed to be a Revolving Loan hereunder and, initially, shall bear interest at the rate then applicable to Revolving Loans that are Base Rate Loans. If a Letter of Credit Disbursement is deemed to be a Revolving Loan hereunder, the Borrowers' obligation to pay the amount of such Letter of Credit Disbursement to Issuing Lender shall be discharged and replaced by the resulting Revolving Loan. Promptly following receipt by Administrative Agent of any payment from the Borrowers pursuant to this paragraph, Administrative Agent shall distribute such payment to the Issuing Lender or, to the extent that Revolving Lenders have made payments pursuant to Section 2.04(b) to reimburse the Issuing Lender, then to such Revolving Lenders and the Issuing Lender as their interests may appear.

(b) Promptly following receipt of a notice of a Letter of Credit Disbursement pursuant to Section 2.04(a), each Revolving Lender agrees to fund its Pro Rata Share of any Revolving Loan deemed made pursuant to Section 2.04(a) on the same terms and conditions as if the Borrowers had requested the amount thereof as a Revolving Loan and Administrative Agent shall promptly pay to Issuing Lender the amounts so received by it from the Revolving Lenders. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Lender or the Revolving Lenders, the Issuing Lender shall be deemed to have granted to each Revolving Lender, and each Revolving Lender shall be deemed to have purchased, a participation in each Letter of Credit issued by Issuing Lender in an amount equal to its Pro Rata Share of such Letter of Credit, and each such Revolving Lender agrees to pay to Administrative Agent, for the account of the Issuing Lender, such Revolving Lender's Pro Rata Share of any Letter of Credit Disbursement made by Issuing Lender under the applicable Letter of Credit. In consideration and in furtherance of the foregoing, each Revolving Lender hereby absolutely and unconditionally agrees to pay to Administrative Agent, for the account of the Issuing Lender, such Revolving Lender's Pro Rata Share of each Letter of Credit Disbursement made by Issuing Lender and not reimbursed by the Borrowers on the date due as provided in Section 2.04(a), or of any reimbursement payment required to be refunded to the Borrowers for any reason. Each Revolving Lender acknowledges and agrees that its obligation to deliver to Administrative Agent, for the account of the Issuing Lender, an amount equal to its respective Pro Rata Share of each Letter of Credit Disbursement pursuant to this Section 2.04(b) shall be absolute and unconditional and such remittance shall be made notwithstanding the occurrence or continuation of an Event of Default or Default or the failure to satisfy any condition set forth in Section 6. If any such Revolving Lender fails to make available to Administrative Agent the amount of such Revolving Lender's Pro Rata Share of a Letter of Credit Disbursement as provided in this Section, such Revolving Lender shall be deemed to be a Defaulted Lender and Administrative Agent (for the account of the Issuing Lender) shall be entitled to recover such amount on demand from such Revolving Lender together with interest thereon at the Defaulted Lender Rate until paid in full.

(c) The Borrowers hereby agree to indemnify, save, defend, and hold the Lenders harmless from any damage, loss, cost, expense, or liability (other than Taxes, which shall be governed by Section 4.04, other than any Taxes that represent losses, claims or damages arising from any non-Tax claim), and reasonable and documented out-of-pocket attorneys' fees incurred by Issuing Lender, any other member of the Lenders arising out of or in connection with Letter of Credit; provided, however, that the Borrowers shall not be obligated hereunder to indemnify for any loss, cost, expense, or liability that a court of competent jurisdiction finally determines to have resulted from the gross negligence, bad faith or willful misconduct of the Issuing Lender, any other Lender, or any dispute solely among the Issuing Lender or any other Lender.

The Borrowers understand and agree that none of the Issuing Lender or the Lenders shall be liable for any error, negligence, or mistake, whether of omission or commission, in following the Borrowers' instructions or those contained in the Letter of Credit or any modifications, amendments, or supplements thereto, unless such error, negligence or mistake resulted from the gross negligence, bad faith or willful misconduct of the Issuing Lender, or any other Lender as finally determined by a court of competent jurisdiction. The Borrowers hereby acknowledge and agree that none of the Issuing Lender, or any other Lender shall be responsible for delays, errors, or omissions resulting from the malfunction of equipment in connection with any Letter of Credit, unless such delays, errors or omissions resulted from the gross negligence, bad faith or willful misconduct of the Issuing Lender, or any other Lender as finally determined by a court of competent jurisdiction.

(d) [reserved].

(e) Any and all issuance charges, usage charges, commissions, fees, and costs incurred by the Issuing Lender relating to Letters of Credit shall be expenses for purposes of this Agreement and shall be reimbursable immediately by the Borrowers to Administrative Agent for the account of the Issuing Lender; it being acknowledged and agreed by the Borrowers that, as of the Effective Date, the usage charge imposed by the Issuing Lender is one eighth of one percent (0.125%) per annum times the undrawn amount of each Letter of Credit, that such usage charge may be changed from time to time, and that the Issuing Lender also imposes a schedule of charges for amendments, extensions, drawings, and renewals.

(f) If by reason of (i) any change after the Effective Date in any applicable law, treaty, rule, or regulation or any change in the interpretation or application thereof by any Governmental Authority, or (ii) compliance by the Issuing Lender, or any other Lender with any direction, request, or requirement (irrespective of whether having the force of law) of any Governmental Authority or monetary authority including, Regulation D of the Federal Reserve Board as from time to time in effect (and any successor thereto):

(i) any reserve, deposit, or similar requirement is or shall be imposed or modified in respect of any Letter of Credit issued or caused to be issued hereunder or hereby, or

(ii) there shall be imposed on the Issuing Lender, or any other Lender any other condition regarding any Letter of Credit,

and the result of the foregoing is to increase, directly or indirectly, the cost to the Issuing Lender, or any other Lender of issuing, making, guaranteeing, or maintaining any Letter of Credit or to reduce the amount receivable in respect thereof, then, and in any such case, Administrative Agent may, at any time within a reasonable period after the additional cost is incurred or the amount received is reduced, notify the Borrowers, and the Borrowers shall pay within thirty (30) days after demand therefor, such amounts as Administrative Agent may specify to be necessary to compensate the Issuing Lender, or any other Lender for such additional cost or reduced receipt, together with interest on such amount from the date of such demand until payment in full thereof at the rate then applicable to Base Rate Loans hereunder; provided, however, that the Borrowers shall not be required to provide any compensation pursuant to this

Section 2.04(f) for any such amounts incurred more than one hundred eighty (180) days prior to the date on which the demand for payment of such amounts is first made to the Borrowers; provided, further, however, that if an event or circumstance giving rise to such amounts is retroactive, then the one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof. The determination by Administrative Agent of any amount due pursuant to this Section 2.04(f), as set forth in a certificate setting forth the calculation thereof in reasonable detail, shall, in the absence of manifest or demonstrable error, be final and conclusive and binding on all of the parties hereto.

2.05. [Intentionally Omitted]

2.06. Conversions. The Borrowers shall have the option to convert, on any Business Day, all or a portion of the outstanding principal amount of Loans made pursuant to one or more Borrowings of one or more Types of Loans into a Borrowing of another Type of Loan; provided, that, (i) except as otherwise provided in Section 2.10(b), Term SOFR Loans may be converted into Base Rate Loans only on the last day of an Interest Period applicable to the Loans being converted, (ii) Base Rate Loans may not be converted into Term SOFR Loans if any Event of Default exists pursuant to Section 10 on the date of conversion, (iii) if any Event of Default (other than as referred to in preceding clause (ii)) is in existence on the date of the proposed conversion of a Term SOFR Loan, (x) Base Rate Loans may not be converted into Term SOFR Loans if the Administrative Agent or the Required Lenders have notified the Borrowers that conversions will not be permitted during the existence of such Event of Default and (y) in the absence of the notification referred to in preceding clause (x), Base Rate Loans may only be converted into Term SOFR Loans with an Interest Period of one (1) month, and (iv) no conversion pursuant to this Section 2.06 shall result in more than six (6) Borrowings of Term SOFR Loans. Each such conversion shall be effected by the Borrowers by giving the Administrative Agent at the Notice Office prior to 1:00 P.M. (New York City time) at least (x) in the case of conversions of Base Rate Loans into Term SOFR Loans, three (3) Business Days' prior notice and (y) in the case of conversions of Term SOFR Loans into Base Rate Loans, one Business Day's prior notice (each, a "Notice of Conversion/Continuation"), in each case substantially in the form of Exhibit A-1, appropriately completed to specify the Loans to be so converted, the Borrowing or Borrowings pursuant to which such Loans were incurred and, if to be converted into Term SOFR Loans, the Interest Period to be initially applicable thereto. The Administrative Agent shall give each Lender prompt notice of any such proposed conversion affecting any of its Loans.

2.07. [Intentionally Omitted].

2.08. Interest.

(a) The Borrowers agree to pay interest in respect of the unpaid principal amount of each Base Rate Loan from the date of Borrowing thereof until the earlier of (i) the maturity thereof (whether by acceleration or otherwise) and (ii) the conversion of such Base Rate Loan to a Term SOFR Loan pursuant to Sections 2.06 or 2.09, as applicable, at a rate per annum which shall be equal to the sum of the relevant Applicable Margin plus the Base Rate, each as in effect from time to time.

(b) The Borrowers agree to pay interest in respect of the unpaid principal amount of each Term SOFR Loan from the date of Borrowing thereof until the earlier of (i) the maturity thereof (whether by acceleration or otherwise) and (ii) the conversion of such Term SOFR Loan to a Base Rate Loan pursuant to Sections 2.06, 2.09 or 2.10, as applicable, at a rate per annum which shall, during each Interest Period applicable thereto, be equal to the sum of the relevant Applicable Margin as in effect from time to time during such Interest Period plus Term SOFR for such Interest Period.

(c) Upon the occurrence and during the continuance of an Event of Default under Sections 10.01 or 10.05, overdue principal (and, after the occurrence and during the continuance of any

Event of Default, upon notification to the Administrative Borrower by the Administrative Agent at the direction of the Required Lenders, all principal) in respect of each outstanding Loan shall bear interest at a rate per annum equal to the rate which is 2.0% in excess of the rate otherwise applicable to such Loans. In addition, to the extent permitted by applicable law, (i) overdue interest in respect of each Loan shall bear interest at a rate per annum equal to the rate which is 2.0% in excess of the rate then borne by such Loans and (ii) all other overdue amounts payable hereunder and under any other Credit Document shall bear interest at a rate per annum equal to the rate which is 2.0% in excess of the rate applicable to Revolving Loans that are maintained as Base Rate Loans from time to time. Interest that accrues under this Section 2.08(c) shall be payable promptly upon written demand.

(d) Accrued (and theretofore unpaid) interest shall be payable: (i) (x) in respect of each Base Rate Loan, on the first calendar day of each quarter, as provided in Section 4.01, and (y) in respect of each Term SOFR Loan, on the last day of each Interest Period applicable thereto and, in the case of an Interest Period in excess of three months, on each date occurring at three month intervals after the first day of such Interest Period; (ii) on the date of any repayment or prepayment, in full or in part, of any outstanding Loans; and (iii) at maturity (whether by acceleration or otherwise) and, after such maturity, promptly upon demand.

(e) The Administrative Agent shall determine the interest rate for each Interest Period applicable to the respective Term SOFR Loans and such determination shall, absent manifest error, be final and conclusive and binding on all parties hereto.

2.09. Interest Periods. At the time the Borrowers give any Notice of Conversion/Continuation in respect of the making of, or conversion into, any Term SOFR Loan (in the case of the initial Interest Period applicable thereto) or prior to 1:00 P.M. (New York City time) on the third Business Day prior to the expiration of an Interest Period applicable to such Term SOFR Loan (in the case of any subsequent Interest Period), the Borrowers shall have the right to elect the interest period (each, an "Interest Period") applicable to such Term SOFR Loan, which Interest Period shall, at the option of the Administrative Borrower, be a one (1), three (3) or six (6) month period; provided, that (in each case):

(i) all Term SOFR Loans comprising a Borrowing shall at all times have the same Interest Period;

(ii) the initial Interest Period for any Term SOFR Loan shall commence on the date of Borrowing of such Term SOFR Loan (including the date of any conversion thereto from a Term SOFR Loan) and each Interest Period occurring thereafter in respect of such Term SOFR Loan shall commence on the day on which the next preceding Interest Period applicable thereto expires;

(iii) if any Interest Period for a Term SOFR Loan begins on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period, such Interest Period shall end on the last Business Day of such calendar month;

(iv) if any Interest Period for a Term SOFR Loan would otherwise expire on a day which is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, however, that if any Interest Period for a Term SOFR Loan would otherwise expire on a day which is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day;

(v) if any Event of Default is in existence, (x) no Interest Period may be selected if the Administrative Agent or the Required Lenders have notified the Administrative

Borrower that the selection of new Interest Periods will not be permitted during the existence of such Event of Default and (y) in the absence of the notification referred to in preceding clause (x), no Interest Period with a duration in excess of one (1) month may be selected;

(vi) no Interest Period in respect of any Borrowing of Loans shall be selected which extends beyond the Maturity Date; and

If by 1:00 P.M. (New York City time) on the third Business Day prior to the expiration of any Interest Period applicable to a Borrowing of Term SOFR Loans, the Borrowers have failed to elect a new Interest Period to be applicable to such Term SOFR Loans as provided above, the Borrowers shall be deemed to have elected to continue such Term SOFR Loans as Term SOFR Loans with an Interest Period of one (1) month effective as of the expiration date of such current Interest Period; provided, that if the Borrowers are not permitted to elect a new Interest Period to be applicable to such Term SOFR Loans as provided above, the Borrowers shall be deemed to have elected to convert such Term SOFR Loans into Base Rate Loans effective as of the expiration date of such current Interest Period.

2.10. Increased Costs, Illegality, etc. (a) In the event that any Lender shall have reasonably determined (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto but, with respect to clause (i) or (iii)(z) below, may be made only by the Administrative Agent or the Required Lenders):

(i) that, by reason of any changes arising after the date of this Agreement affecting any applicable interbank market, (y) adequate and fair means do not exist for ascertaining the applicable interest rate on the basis provided for in the definition of Term SOFR and (y) and no Successor Rate has been determined in accordance with Section 2.14, and the circumstances under clause (i) of Section 2.14(a) or the Scheduled Unavailability Date has occurred; or

(ii) at any time, that such Lender shall incur increased costs or reductions in the amounts received or receivable hereunder with respect to any Term SOFR Loan because (x) of any Change in Law since the Effective Date such as, but not limited to: (A) a Change in Law, subjecting a Recipient to any Taxes (other than (1) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, (2) Indemnified Taxes or (3) Connection Income Taxes) or (B) a change in official reserve requirements, but, in all events, excluding reserves required under Regulation D to the extent included in the computation of Term SOFR and/or (y) Term SOFR with respect to such Term SOFR Loan does not adequately and fairly reflect the cost to such Lender of funding such Term SOFR Loan; or

(iii) at any time, that the making or continuance of any Term SOFR Loan has been made (x) unlawful by any law or governmental rule, regulation or order, (y) impossible by compliance by any Lender in good faith with any governmental request (whether or not having force of law) or (z) impracticable as a result of a contingency occurring after the Effective Date which materially and adversely affects any applicable interbank market;

then, and in any such event, such Lender (or the Administrative Agent, in the case of clause (i) above) shall promptly give notice (by telephone promptly confirmed in writing) to the Borrowers and, except in the case of clause (i) above, to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to each of the other Lenders). Thereafter (x) in the case of clause (i) above, Term SOFR Loans shall no longer be available (and the utilization of the Term SOFR component in determining the Base Rate shall be suspended) until such time as the Administrative Agent notifies the Borrowers and the Lenders that the circumstances giving rise to such notice by the Administrative Agent no longer exist, and any Notice of Conversion/Continuation given by the Borrowers with respect to Term

SOFR Loans which have not yet been incurred (including by way of conversion) shall be deemed rescinded by the Borrowers, (y) in the case of clause (ii) above, the Borrowers agree, subject to the provisions of Section 2.11(b) (to the extent applicable), to pay to such Lender, within 10 Business Days of such Lender's written request therefor (including reasonably supporting documentation therefor), such additional amounts (in the form of an increased rate of, or a different method of calculating, interest or otherwise as such Lender in its sole discretion shall determine) as shall be required to compensate such Lender for such increased costs or reductions in amounts received or receivable hereunder (a written notice as to the additional amounts owed to such Lender, showing in reasonable detail the basis for the calculation thereof, submitted to the Borrowers by such Lender shall, absent manifest error, be final and conclusive and binding on all the parties hereto) and (z) in the case of clause (iii) above, the Borrowers shall take one of the actions specified in Section 2.10(b) as promptly as possible and, in any event, within the time period required by law.

(b) At any time that any Term SOFR Loan is affected by the circumstances described in Section 2.10(a)(ii), the Borrowers may, and in the case of a Term SOFR Loan affected by the circumstances described in Section 2.10(a)(iii), the Borrowers shall, either (x) if the affected Term SOFR Loan is then being made initially or pursuant to a conversion, cancel such Borrowing by giving the Administrative Agent telephonic notice (confirmed in writing) on the same date that the Borrowers were notified by the affected Lender or the Administrative Agent pursuant to Section 2.10(a)(ii) or (iii) or (y) if the affected Term SOFR Loan is then outstanding, upon at least three (3) Business Days' written notice to the Administrative Agent, require the affected Lender to convert such Term SOFR Loan into a Base Rate Loan; provided, that, if more than one Lender is affected at any time, then all affected Lenders must be treated the same pursuant to this Section 2.10(b).

(c) If any Lender determines that after the Effective Date the introduction of or any change in any applicable law or governmental rule, regulation, order, guideline, directive or request (whether or not having the force of law) concerning capital adequacy or liquidity, or any change in interpretation or administration thereof by the NAIC or any Governmental Authority, central bank or comparable agency, will have the effect of increasing the amount of capital required or expected to be maintained by such Lender or any corporation controlling such Lender based on the existence of such Lender's Commitments hereunder or its obligations hereunder, then the Borrowers agree to pay to such Lender, within 10 Business Days of its written demand (including documentation reasonably supporting such request) therefor, such additional amounts as shall be required to compensate such Lender or such other corporation for the increased cost to such Lender or such other corporation or the reduction in the rate of return to such Lender or such other corporation as a result of such increase of capital. In determining such additional amounts, each Lender will act reasonably and in good faith and will use averaging and attribution methods which are reasonable; provided, that such Lender's determination of compensation owing under this Section 2.10(c) shall, absent manifest error, be final and conclusive and binding on all the parties hereto. Each Lender, upon determining that any additional amounts will be payable pursuant to this Section 2.10(c), will give prompt written notice thereof to the Borrowers, which notice shall show in reasonable detail the basis for calculation of such additional amounts.

(d) Notwithstanding anything in this Agreement to the contrary, the (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith or in the implementation thereof and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall be deemed to be a change after the Effective Date in a requirement of law or government rule, regulation or order, regardless of the date enacted, adopted, issued or implemented (including for purposes of this Section 2.10), other than any final rules, regulations, orders, requests, guidelines or directives under the Dodd-Frank Wall Street Reform and Consumer Protection Act that the Lenders are required to comply with prior to the date of this Agreement (it being understood that

payments required as a result of this Section 2.10(d) are subject to the provisions of Section 2.11(b), as and to the extent provided therein).

2.11. Compensation. (a) The Borrowers agree to compensate each Lender within ten (10) Business Days of its written request (which request shall set forth in reasonable detail the basis for requesting such compensation) and calculation of the amount of such compensation, for all actual losses, reasonable, out of pocket expenses and liabilities (including, without limitation, any loss, expense or liability incurred by reason of the liquidation or reemployment of deposits or other funds required by such Lender to fund its Term SOFR Loans but excluding loss of anticipated profits) which such Lender may sustain: (i) if for any reason (other than a default by such Lender or the Administrative Agent) a Borrowing of, or conversion from or into, Term SOFR Loans does not occur on a date specified therefor in a Notice of Conversion/Continuation (whether or not withdrawn by the Borrowers or deemed withdrawn pursuant to Section 2.10(a)); (ii) if any prepayment or repayment (including any prepayment or repayment made pursuant to Section 4.01 or as a result of an acceleration of the Loans pursuant to Section 10) or conversion of any of its Term SOFR Loans occurs on a date which is not the last day of an Interest Period with respect thereto; (iii) if any prepayment of any of its Term SOFR Loans is not made on any date specified in a notice of prepayment given by the Administrative Borrower; or (iv) as a consequence of (x) any other default by the Borrowers to repay Term SOFR Loans when required by the terms of this Agreement or (y) any election made pursuant to Section 2.10(b).

(b) Notwithstanding anything to the contrary, with respect to any Recipient's or any participant's claim for compensation under Section 2.10(a) or Section 4.04, the Borrowers shall not be required to compensate such Recipient for any amount incurred more than one hundred and eighty (180) days prior to the date that such Recipient notifies the Borrowers of the event that gives rise to such claim; provided, that, if the circumstance giving rise to such claim is retroactive, then such one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof.

2.12. Change of Lending Office. Each Lender agrees that on the occurrence of any event giving rise to the operation of Section 2.10(a)(ii) or (iii), Section 2.10(c), the requirement of the Borrowers to make any additional payment pursuant to Section 4.04(a) or Section 4.04(c) with respect to such Lender, it will, if requested by the Administrative Borrower, use reasonable efforts (subject to overall policy considerations of such Lender) to designate another lending office for any Loans affected by such event; provided, that such designation is made on such terms that such Lender and its lending office suffer no economic, legal or regulatory disadvantage in any material respect, with the object of avoiding the consequence of the event giving rise to the operation of such Section. Nothing in this Section 2.12 shall affect or postpone any of the obligations of the Borrowers or the right of any Lender provided in Sections 2.10 and 4.04. The Borrowers hereby agree to pay all reasonable and documented out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment. Any transfer or designation pursuant to this Section 2.12 shall not be effective until recorded in the Register pursuant to Section 12.15 herein.

2.13. Loan Account. Administrative Agent shall maintain a loan account (the "Loan Account") on its books to record Loans, the Letters of Credit issued or arranged by Issuing Lender for the Borrowers' account, and other extensions of credit made by Lenders hereunder or under any other Credit Document, and all payments thereon made by the Borrowers. All entries in the Loan Account shall be made in accordance with Administrative Agent's customary accounting practices as in effect from time to time. The balance in the Loan Account, as recorded on Administrative Agent's most recent printout or other written statement, shall be conclusive and binding evidence of the amounts due and owing to Administrative Agent by the Borrowers absent clear and convincing evidence to the contrary; provided, that any failure to so record or any error in so recording shall not limit or otherwise affect the Borrowers' duty to pay all amounts owing hereunder or under any other Credit Document; provided further, that in the event of any inconsistency between the Register and the Loan Account, the recordations in the Register shall govern.

Unless the Administrative Borrower notifies Administrative Agent of any objection to any such printout or statement (specifically describing the basis for such objection) within thirty (30) days after the date of receipt thereof, it shall be deemed final, binding and conclusive upon the Borrowers in all respects as to all matters reflected therein. Notwithstanding anything to the contrary contained in any Security Document or in any other Credit Document, but subject to the terms of the Revolver Intercreditor Agreement, each Credit Party hereby acknowledges, confirms and agrees that, at any time during a Cash Dominion Period, Administrative Agent may, or at the direction of Required Lenders shall, cause each financial institution maintaining a Deposit Account that is the subject of a control agreement to remit all amounts held by such financial institution on behalf of the applicable Credit Party to the Payment Account or such other deposit account identified by Administrative Agent from time to time.

#### 2.14. Alternate Rate of Interest

(a) Notwithstanding anything to the contrary in this Agreement or any other Credit Document, if the Administrative Agent determines (which determination shall be conclusive absent manifest error), or the Administrative Borrower or the Required Lenders notify the Administrative Agent (with, in the case of the Required Lenders, a copy to the Administrative Borrower) that the Administrative Borrower or the Required Lenders (as applicable) have determined, that:

(i) adequate and reasonable means do not exist for ascertaining one (1) month, three (3) month or six (6) month interest periods of Term SOFR, including, without limitation, because the Term SOFR Screen Rate is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) CME or any successor administrator of the Term SOFR Screen Rate or a Governmental Authority having jurisdiction over the Administrative Agent or such administrator with respect to its publication of Term SOFR, in each case, acting in such capacity, has made a public statement identifying a specific date after which one (1) month, three (3) month or six (6) month interest periods of Term SOFR or the Term SOFR Screen Rate shall or will no longer be representative or made available, or permitted to be used for determining the interest rate of U.S. dollar denominated syndicated loans, or shall or will otherwise cease, provided, that, in each case, at the time of such statement, there is no successor administrator that is satisfactory to the Administrative Agent, that will continue to provide such representative interest periods of Term SOFR after such specific date (the latest date on which one (1), three (3) and six (6) month interest periods of Term SOFR or the Term SOFR Screen Rate are no longer representative or available permanently or indefinitely, the "Scheduled Unavailability Date");

then, on a date and time determined by the Administrative Agent, in consultation with the Borrower Representative (any such date, the "Term SOFR Replacement Date"), which date shall be at the end of an Interest Period or on the relevant interest payment date, as applicable, for interest calculated and, solely with respect to clause (ii) above, no later than the Scheduled Unavailability Date, Term SOFR will be replaced hereunder and under any other Credit Document with Daily Simple SOFR plus the SOFR Adjustment for any payment period for interest calculated that can be determined by the Administrative Agent, in each case, without any amendment to, or further action or consent of any other party to, this Agreement or any other Credit Document (the "Successor Rate").

(b) If the Successor Rate is Daily Simple SOFR plus the SOFR Adjustment, all interest payments will be payable on a monthly basis.

(c) Notwithstanding anything to the contrary herein, (i) if the Administrative Agent determines that Daily Simple SOFR is not available on or prior to the Term SOFR Replacement Date, or (ii) if the events or circumstances of the type described in Section 2.14(a)(i) or (ii) have occurred with



respect to the Successor Rate then in effect, then in each case, the Administrative Borrower and the Administrative Agent may amend this Agreement and the other Credit Documents solely for the purpose of replacing Term SOFR or any then current Successor Rate in accordance with this Section 2.14 at the end of any Interest Period, relevant interest payment date or payment period for interest calculated, as applicable, with another alternate benchmark rate giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated syndicated credit facilities for such alternative benchmark and, in each case, including any mathematical or other adjustments to such benchmark giving due consideration to any evolving or then existing convention for similar U.S. dollar denominated syndicated credit facilities for such benchmark.

For the avoidance of doubt, any such proposed rate and adjustments shall constitute a "Successor Rate". Any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after the Administrative Agent shall have posted such proposed amendment to all Lenders and the Administrative Borrower unless, prior to such time, Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders object to such amendment.

(d) The Administrative Agent will promptly (in one or more notices) notify the Administrative Borrower and each Lender of the implementation of any Successor Rate.

(e) Any Successor Rate shall be applied in a manner consistent with market practice; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such Successor Rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent, in consultation with the Borrower Representative.

(f) Notwithstanding anything else herein, if at any time any Successor Rate as so determined would otherwise be less than 0.50%, the Successor Rate will be deemed to be 0.50% for the purposes of this Agreement and the other Credit Documents.

(g) In connection with the implementation of a Successor Rate, the Administrative Agent will have the right, in consultation with the Borrower Representative, to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Credit Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement; provided that, with respect to any such amendment effected, the Administrative Agent shall post each such amendment implementing such Conforming Changes to the Borrowers and the Lenders promptly after such amendment becomes effective.

2.15. Additional Borrowers. The Administrative Borrower may at any time, upon not less than ten (10) Business Days' notice from the Administrative Borrower to the Administrative Agent (or such shorter period as may be agreed by the Administrative Agent in its reasonable discretion), request to designate any Wholly-Owned Domestic Restricted Subsidiary of the Administrative Borrower as an Additional Borrower hereunder by delivering to the Administrative Agent (which shall promptly deliver copies thereof to each Lender) a duly executed written notice of such request. The parties hereto acknowledge and agree that prior to any such proposed Additional Borrower becoming an Additional Borrower hereunder (i) the Administrative Agent shall have consented (such consent not to be unreasonably withheld or delayed) to such proposed Additional Borrower becoming an Additional Borrower hereunder, (ii) the Administrative Agent and such Lenders shall have received customary supporting resolutions, incumbency certificates and opinions of counsel, and promissory notes signed by such proposed Additional Borrower to the extent any Lender so requires, and (iii) upon the reasonable request of the Administrative Agent or any Lender, such proposed Additional Borrower shall have provided to the Administrative Agent or such Lender, as the case may be, and the Administrative Agent or such Lender, as the case may be, shall be reasonably satisfied with, the documentation and other information so requested in connection with applicable "know your customer" and anti-money-laundering rules and regulations, including, without limitation, the PATRIOT Act, and any such proposed Additional Borrower that qualifies as a "legal entity"

customer” under the Beneficial Ownership Regulation shall have delivered, to the Administrative Agent and each Lender that so requests, a Beneficial Ownership Certification in relation to such proposed Additional Borrower (the requirements in clauses (i), (ii) and (iii) hereof, the “Additional Borrower Requirements”). If the Additional Borrower Requirements are met, the Additional Borrower shall constitute an Additional Borrower hereunder, whereupon each of the Lenders agrees to permit such Additional Borrower to receive Loans hereunder, on the terms and conditions set forth herein, and each of the parties agrees that such Additional Borrower otherwise shall be a Borrower for all purposes of this Agreement. It is understood and agreed that any Accounts of an Additional Borrower hereafter added as an Additional Borrower by the Administrative Borrower pursuant to this Section 2.15 shall not constitute an Eligible Account until the completion of a customary field examination and confirmation of such Accounts.

2.16. Administrative Borrower. Each Borrower including each Additional Borrower pursuant to Section 2.15, hereby irrevocably appoints the Urban One, Inc. as the “Administrative Borrower” hereunder for all purposes of this Agreement and the other Credit Documents, and the Administrative Borrower shall act under this Agreement and the other Credit Documents as the agent, attorney-in-fact and legal representative of such Borrowers for all purposes, including receiving account statements, giving and receiving all notices and consents hereunder or under any other Credit Documents, taking all other actions (including in respect of compliance with covenants and certificates) and communications to such Borrowers from the Administrative Agent or any Lender. Each Borrower hereby agrees that (i) the Administrative Borrower may execute such documents on behalf of such Borrower as the Administrative Borrower deems appropriate in its sole discretion and each Borrower shall be obligated by all of the terms of any such document executed on its behalf and (ii) any notice or communication delivered by the Administrative Agent or the Lender to the Administrative Borrower shall be deemed delivered to each Borrower. The Administrative Agent and the Lenders may rely, and shall be fully protected in relying, on any certificate, report, information or any notice or communication made, given or executed by the Administrative Borrower, whether in its own name or on behalf of another Borrower, and neither the Administrative Agent nor any Lender shall have any obligation to make any inquiry or request any confirmation from or on behalf of any other Borrower as to the binding effect on it of any such notice or request.

2.17. Joint and Several Liability. Subject to the terms of this Agreement, and without limitation of any obligation with respect to the Guaranty, it is understood and agreed by the parties to this Agreement that each Borrower shall have joint and several liability in respect of all Obligations of all Borrowers. The Borrowers hereby acknowledge and agree that this Agreement and the other Credit Documents are an independent and several obligation of each Borrower (regardless of which Borrower shall have delivered a request for Borrowings) and may be enforced against each Borrower separately, whether or not enforcement of any right or remedy hereunder has been sought against any other Borrower. Each Borrower hereby expressly waives, with respect to any Borrowing made to any other Borrower hereunder and any of the amounts owing hereunder by any other Credit Party in respect of any Borrowing, diligence, presentment, demand of payment, protest and all notices whatsoever, and any requirement that any Secured Creditor exhaust any right, power or remedy or proceed against any other Credit Party under this Agreement, any other Credit Document or any other agreement or instrument referred to herein or against any other person under any other guarantee of, or security for, any of such amounts owing hereunder. In addition to the direct (and joint and several) obligations of the Borrowers with respect to the Obligations as described above, all such Obligations of the Borrowers shall be guaranteed pursuant to, and in accordance with the terms of, the Guaranty, subject to any applicable limitations set forth therein. It is not necessary for the Administrative Agent or any Lender to inquire into the capacity or powers of any Borrower or any of its Subsidiaries or the officers, directors, members, partners or agents acting or purporting to act on its behalf, and any Borrower’s Obligations made or created in reliance upon the professed exercise of such powers shall constitute the joint and several obligations of the Borrowers hereunder.

SECTION 3. Fees.

3.01. Unused Line Fee. From and following the Effective Date, the Borrowers shall pay Administrative Agent, for the benefit of all Lenders committed to make Revolving Loans, in accordance with their respective Pro Rata Shares, a fee in an amount equal to (i) the Revolving Loan Commitment less the average Daily Balance of the sum of the outstanding Revolving Loans during the preceding quarter, multiplied by (ii) one half of one percent (0.50%) per annum. Such fee is to be paid quarterly in arrears on the first calendar day of each ULF Quarter.

3.02. Letter of Credit Fee. The Borrowers shall pay Administrative Agent (for the ratable benefit of the Revolving Lenders, subject to any agreements between Administrative Agent and individual Revolving Lenders), a Letter of Credit fee (in addition to the charges, commissions, fees, and costs set forth in Section 2.04(e)) which shall accrue at a per annum rate equal to the Applicable Margin relative to Term SOFR Loans times the Daily Balance of the undrawn amount of all outstanding Letters of Credit.

3.03. Administrative Agent's Fees. The Borrowers shall pay to Administrative Agent fees in such amounts and at such times as set forth in the Fee Letter.

SECTION 4. Payments; Taxes.

4.01. Payments. Except as otherwise specifically provided herein, (i) all interest, all Letter of Credit Fees, and all other fees payable hereunder or under any of the other Credit Documents shall be due and payable, in arrears, on the first calendar day of each quarter; provided, that if an Event of Default has occurred and is continuing, such amounts shall be due and payable, in arrears, on the first Business Day of each month, and (ii) all costs and expenses payable hereunder or under any of the other Credit Documents, including under Section 12.01, shall be due and payable on the earlier of (x) the first Business Day of the month following the date on which the applicable costs or expenses were first incurred or (y) the date on which demand therefor is made by Administrative Agent (it being acknowledged and agreed that any charging of such costs or expenses to the Loan Account pursuant to the provisions of the following sentence shall be deemed to constitute a demand for payment thereof for the purposes of this subclause (y)). Subject to the immediately following sentence, Administrative Agent agrees, prior to Administrative Agent charging the Loan Account, to provide the Borrowers with written notice (a "Payment Notice") of all fees, costs and expenses due to be paid under this Agreement or under any of the other Credit Documents (other than with respect to the Unused Line Fee, which shall be charged to the Loan Account in accordance with this Section and Section 3.01 above), the payment of which shall be made by the Borrowers on or before the date that is twenty (20) days following the date of such Payment Notice (a "Payment Due Date"). If not paid by the Borrowers on or before the applicable Payment Due Date, the Borrowers hereby authorizes Administrative Agent, from time to time without prior notice to the Borrowers, to charge to the Loan Account (A) on the first Business Day of each quarter (or, if an Event of Default has occurred and is continuing, on the first Business Day of each month), all interest accrued during the prior quarter (or if an Event of Default has occurred and is continuing, month) on the Revolving Loans hereunder, (B) on the first Business Day of each quarter (or, if an Event of Default has occurred and is continuing, on the first Business Day of each month), all Letter of Credit Fees accrued or chargeable hereunder during the prior quarter (or, if an Event of Default has occurred and is continuing, during the prior month), (C) on the first Business Day of each ULF Quarter (or, if an Event of Default has occurred and is continuing, during the prior month), the Unused Line Fee accrued during the prior quarter (or if an Event of Default has occurred and is continuing, month) pursuant to Section 2.10(b), and (D) as and when due and payable all other payment obligations payable under this Agreement (including, without limitation, under Section 12.01), any Credit Document or any Bank Product Agreement (including any amounts due and payable to the Bank Product Providers in respect of Bank Products); provided, that if such amounts are not paid and, instead, are charged to the Loan Account, they shall be charged thereto as of the day on which the item was first due and payable

or incurred or accrued without regard to the applicable delay and such amounts shall accrue interest from such original date; provided, further, that, notwithstanding anything to the contrary contained in Section 12.01, Administrative Agent shall be entitled to immediately charge to the Loan Account, without notice to the Borrowers, any of the fees, cost and expenses payable under Section 12.01 at any time that an Event of Default has occurred and is continuing. All amounts (including interest, fees, costs, expenses, or other amounts payable hereunder or under any other Credit Document or under any Bank Product Agreement) charged to the Loan Account shall constitute Revolving Loans hereunder, shall constitute Obligations hereunder, and shall initially accrue interest at the rate then applicable to Revolving Loans that are Base Rate Loans (unless and until converted into Term SOFR Loans in accordance with the terms of this Agreement).

4.02. [Intentionally Omitted].

4.03. Method and Place of Payment. Except as otherwise specifically provided herein, all payments under this Agreement shall be made to the Administrative Agent for the account of the Lender or Lenders entitled thereto not later than 3:00 P.M. (New York City time) on the date when due and shall be made in Dollars in immediately available funds at the Payment Office. Whenever any payment to be made hereunder shall be stated to be due on a day which is not a Business Day, the due date thereof shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest shall be payable at the applicable rate during such extension.

4.04. Net Payments. (a) Any and all payments by or on account of any obligation of the Borrowers under any Credit Document shall be made without deduction or withholding for any Taxes, except as required by applicable law. If any applicable law (as determined in the good faith discretion of an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrowers shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(b) Payment of Other Taxes by the Borrowers. The Borrowers shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Indemnification by the Borrowers. The Borrowers shall indemnify each Recipient, within 15 days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Administrative Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. Notwithstanding anything to the contrary, with respect to any claim for compensation under this Section 4.04, the Credit Parties shall not be required to compensate such Person for any amount incurred more than one hundred and eighty (180) days prior to the date that such Person notifies the Administrative Borrower of the event that gives rise to such claim; provided, that, if the circumstance giving rise to such claim is retroactive, then such one hundred eighty (180) day period referred to above shall be extended to include the period of retroactive effect thereof.

(d) Indemnification by the Lenders. Each Lender shall severally indemnify the Administrative Agent, within 15 days after written demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrowers have not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrowers to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.15 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Credit Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Credit Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this paragraph (d).

(e) Evidence of Payments. As soon as practicable after any payment of Taxes by any Borrower to a Governmental Authority pursuant to this Section, the Administrative Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(f) Status of Lenders.

(i) (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the Administrative Borrower and the Administrative Agent, at the time or times reasonably requested by the Administrative Borrower or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Administrative Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Administrative Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Administrative Borrower or the Administrative Agent as will enable the Administrative Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in paragraphs (f)(ii)(A), (f)(ii)(B) and (f)(ii)(D) of this Section 4.04) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing,

(A) any Lender that is a U.S. Person shall deliver to the Administrative Borrower and the Administrative Agent on or about the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Administrative Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) each Lender that is not a United States person (as such term is defined in Section 7701(a)(30) of the Code) (a "Foreign Lender") shall, to the extent it is legally entitled to do so, deliver to the Administrative Borrower and the Administrative Agent (in such number of copies as

shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Administrative Borrower or the Administrative Agent), whichever of the following is applicable:

i. in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Credit Document, executed copies of IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Credit Document, IRS Form W-8BEN or IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

ii. executed copies of IRS Form W-8ECI;

iii. in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit D-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Administrative Borrower within the meaning of Section 871(h)(3)(B) of the Code, or a "controlled foreign corporation" related to the Administrative Borrower as described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) executed copies of IRS Form W-8BEN or IRS Form W 8BEN-E; or

iv. to the extent a Foreign Lender is not the beneficial owner, executed copies of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, IRS Form W 8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-2 or Exhibit D-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Administrative Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or about the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Administrative Borrower or the Administrative Agent), executed copies of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Administrative Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Administrative Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Administrative Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Administrative Borrower or the Administrative Agent as may be necessary for the Borrowers and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the

amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Administrative Borrower and the Administrative Agent in writing of its legal inability to do so.

(g) On or prior to the date that it becomes a party to this Agreement, (A) if the Administrative Agent is a U.S. Person, it shall provide the Administrative Borrower with two (2) duly completed copies of IRS Form W-9 or (B) if the Administrative Agent is not a U.S. Person, then it shall provide the Administrative Borrower with (x) two duly completed IRS Forms W-8ECI with respect to fees received on its own behalf and any such other documentation prescribed by applicable law and reasonably requested by the Administrative Borrower that would allow the Borrowers to make payments to such Administrative Agent without deduction or withholding of any U.S. federal withholding Taxes; and (y) two duly completed copies of IRS Form W-8IMY (or successor form) certifying that it is either (i) a "qualified intermediary" and that it assumes primary withholding responsibility under Chapters 3 and 4 of the Code and primary Form 1099 reporting and backup withholding responsibility for payments it receives for the account of others or (ii) a "U.S. branch" and that the payments it receives for the account of others are not effectively connected with the conduct of a trade or business in the United States and that it is using such form as evidence of its agreement with the Borrowers to be treated as a U.S. Person with respect to such payments (and the Borrowers and the Administrative Agent agree to so treat the Administrative Agent as a U.S. Person with respect to such payments as contemplated by U.S. Treasury Regulations Section 1.1441-1(b)(2)(iv)(A)), with the effect that the Borrowers can make payments to the Administrative Agent without deduction or withholding of any Taxes imposed by the United States.

(h) If the Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of any Taxes as to which it has been indemnified by a Credit Party or with respect to which a Credit Party has paid additional amounts pursuant to this Section 4.04, it shall pay to the applicable Credit Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Credit Party under this Section 4.04 with respect to the Taxes giving rise to such refund), net of all reasonable and documented out-of-pocket expenses (including Taxes) of the Administrative Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided, that the Borrowers, upon the request of the Administrative Agent or such Lender, shall repay the amount paid over to the Borrowers (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender in the event the Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (f), in no event will the Administrative Agent or a Lender be required to pay any amount pursuant to this paragraph (f) the payment of which would place the Administrative Agent or such Lender in a less favorable net after-Tax position than the Administrative Agent or such Lender would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph (h) shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its Taxes which it deems confidential) to the Borrowers or any other Person.

#### SECTION 5. Conditions Precedent to Credit Events on the Effective Date.

The obligation of each Lender to make Loans on the Effective Date, is subject at the time of the making of such Loans to the satisfaction (or waiver by the Administrative Agent) of the following conditions:

5.01. Effective Date. The Effective Date shall have occurred as provided in Section 12.10.

5.02. Officer's Certificate. On the Effective Date, the Administrative Agent shall have received a certificate, dated the Effective Date and signed by an Authorized Officer of the Administrative Borrower, certifying on behalf of the Borrowers, that all of the conditions in Sections 5.05, 5.07, 5.08, 5.09 and 5.16 have been satisfied on such date.

5.03. Opinions of Counsel. On the Effective Date, the Administrative Agent shall have received (i) from Kirkland & Ellis LLP, special counsel to the Credit Parties, a customary opinion, addressed to the Administrative Agent, the Collateral Agent and each of the Lenders and dated the Effective Date, (ii) from Wiley Rein LLP, regulatory counsel to the Credit Parties, a customary opinion addressed to the Administrative Agent, the Collateral Agent and each of the Lenders and dated the Effective Date, and (iii) from local counsel in Ohio and Michigan, customary opinions addressed to the Administrative Agent, the Collateral Agent and each of the Lenders and dated the Effective Date.

5.04. Company Documents; Proceedings; etc. (a) On the Effective Date, the Administrative Agent shall have received a certificate from each Credit Party, dated the Effective Date, signed by an Authorized Officer of such Credit Party or, to the extent applicable, such Credit Party's member or manager, and attested to by the Secretary or any Assistant Secretary of such Credit Party or, to the extent applicable, such Credit Party's member or manager, together with copies of the certificate or articles of incorporation and by-laws (or other equivalent organizational documents), as applicable, of such Credit Party and the resolutions of such Credit Party, and each of the foregoing shall be in form and substance reasonably acceptable to the Administrative Agent.

(b) On the Effective Date, the Administrative Agent shall have received good standing certificates from the jurisdiction of organization as of a recent date, for each of the Credit Parties which the Administrative Agent reasonably may have requested, certified by proper Governmental Authorities.

5.05. Minimum Availability. The Borrowers shall have Availability after giving effect to the initial extensions of credit under this Agreement and the payment of all fees and expenses required to be paid by the Borrowers on the Effective Date under this Agreement or the other Credit Documents of not less than \$30,000,000.

5.06. Revolver Intercreditor Agreement. On the Effective Date, the Administrative Agent shall have received a duly executed Revolver Intercreditor Agreement.

5.07. Refinancing. On the Effective Date, the Administrative Borrower shall repay in full of the amounts currently outstanding under, and terminate all commitments and release all security interests or redeem and exchange all Indebtedness with respect to, that certain Credit Agreement, dated as of April 21, 2016, by and among the Administrative Borrower, various lenders therein, Wells Fargo Bank, National Association, as administrative agent and collateral agent, as amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the Effective Date.

5.08. Adverse Change. Since September 30, 2020, nothing shall have occurred which, either individually or in the aggregate, has had, or could reasonably be expected to have, a Material Adverse Effect.

5.09. Litigation. On the Effective Date, there shall be no actions, suits or proceedings pending or, to the knowledge of the Borrowers threatened, with respect to the Transaction, this Agreement or any other Credit Document.



5.10. Guaranty. On the Effective Date, each Credit Party shall have duly authorized, executed and delivered the Guaranty in the form of Exhibit G (as amended, restated, amended and restated, modified, extended and/or supplemented from time to time, the "Guaranty").

5.11. Pledge Agreement. On the Effective Date, each Credit Party shall have duly authorized, executed and delivered the Pledge Agreement in the form of Exhibit H (as amended, restated, amended and restated, modified, extended and/or supplemented from time to time, the "Pledge Agreement") and shall have delivered to the Collateral Agent, as Pledgee thereunder, all of the Pledge Agreement Collateral, if any, referred to therein and to the extent required thereby, (a) endorsed in blank in the case of promissory notes constituting Pledge Agreement Collateral and (b) together with executed and undated endorsements for transfer in the case of Equity Interests constituting certificated Pledge Agreement Collateral.

5.12. Security Agreement. On the Effective Date, each Credit Party shall have duly authorized, executed and delivered the Security Agreement in the form of Exhibit I (as amended, restated, amended and restated, modified, extended and/or supplemented from time to time, the "Security Agreement") covering all of such Credit Party's Security Agreement Collateral, together with proper financing statements (Form UCC-1 or the equivalent) authorized for filing under the UCC or other appropriate filing offices of each jurisdiction as may be necessary to perfect the security interests purported to be created by the Security Agreement (if and to the extent such security interests can be perfected by such financing statements).

5.13. Solvency Certificate; Insurance Certificates, etc. On the Effective Date, the Administrative Agent shall have received:

(i) a solvency certificate from the chief financial officer of the Administrative Borrower in the form of Exhibit J hereto; and

(ii) certificates of insurance complying with the requirements of Section 8.03 for the business and properties of the Administrative Borrower and its Restricted Subsidiaries, in form and substance reasonably satisfactory to the Administrative Agent and naming the Collateral Agent as an additional insured and/or as loss payee.

5.14. Fees, etc. (a) The Borrowers agree to pay the fees required to be paid on the Effective Date under the Fee Letter, with such payment to be earned by, and due and payable to, the Administrative Agent on the Effective Date.

(b) On the Effective Date, the Borrowers shall have paid to the Administrative Agent (and its relevant affiliates) and each Lender all invoiced reasonable out-of-pocket costs, fees and expenses (including, without limitation, legal fees and expenses of one primary counsel, one local counsel in each relevant jurisdiction and one regulatory counsel) to the extent the Administrative Agent delivers such invoice at least two (2) Business Days prior to the Effective Date.

5.15. PATRIOT Act. The Lenders shall have received all documentation and other information required by regulatory authorities with respect to the Credit Parties under applicable "know your customer" and anti-money laundering rules and regulations, including without limitation the PATRIOT Act, and any Credit Party that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall have delivered, to each Lender that so requests, a Beneficial Ownership Certification in relation to such Credit Party, in each case, to the extent requested at least ten (10) days prior to the Effective Date.

5.16. No Default; Representation and Warranties. On the Effective Date, immediately after giving effect to the Credit Event (if any), (i) there shall exist no Default or Event of Default and (ii) all

representations and warranties contained herein and in the other Credit Documents shall be true and correct in all material respects (it being understood and agreed that (x) any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date and (y) any representation or warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects after giving effect to such qualification).

5.17. Notice of Borrowing. Prior to the making of the Loans, the Administrative Agent shall have received at the Notice Office a Notice of Borrowing.

In determining the satisfaction of the conditions specified in this Section 5, to the extent any item is required to be satisfactory to any Lender, such item shall be deemed satisfactory to each Lender which has not notified the Administrative Agent in writing prior to the occurrence of the Effective Date that the respective item or matter does not meet its satisfaction.

SECTION 6. Conditions Precedent to Credit Events after Effective Date. The obligation of Revolving Lenders to make Revolving Loans (other than Revolving Loans made pursuant to Section 2.02(c)) is subject to the satisfaction of the following additional conditions; provided, that the conditions set forth in this Section 6 may be waived by Administrative Agent or Required Lenders:

6.01. Notice of Borrowing. Receipt by Administrative Agent of a Notice of Borrowing (or telephonic or electronic notice, as permitted by Section 2.02(a)) in accordance with Section 2.02;

6.02. Borrowing Availability. Immediately after any such Credit Event, the outstanding principal amount of Revolving Loans will not exceed the Revolving Loan Limit;

6.03. No Default or Event of Default. Immediately before and after any such Credit Event, no Default or Event of Default shall have occurred and be continuing; and

6.04. Representations and Warranties. The representations and warranties of each Credit Party contained in the Credit Documents shall be true and correct in all material respects on and as of the date of such Credit Event, except to the extent that any such representation or warranty relates to a specific date in which case such representation or warranty shall be true and correct as of such earlier date.

Each giving of a Notice of Borrowing hereunder and each acceptance by the Borrowers of the proceeds of any Loan made hereunder shall, except as set forth in the Notice of Borrowing, be deemed to be a representation and warranty by the Borrowers on the date of such Credit Event that the conditions specified in Sections 6.02, 6.03 and 6.04 have been satisfied or waived by Administrative Agent or Required Lenders.

#### SECTION 7. Representations, Warranties and Agreements.

In order to induce the Lenders to enter into this Agreement and to make the Loans, each of the Borrowers makes the following representations, warranties and agreements, in each case after giving effect to the Transaction:

7.01. Company Status. The Administrative Borrower and each of its Restricted Subsidiaries (i) is a duly organized and validly existing Company in good standing (or existing, as applicable) under the laws of the jurisdiction of its organization (other than as applies to the Borrowers, except to the extent any failure to be so organized, existing and in good standing would not reasonably be expected to have a Material Adverse Effect), (ii) has the Company power and authority to own its property and assets and to

transact the business in which it is engaged and presently proposes to engage, except to the extent any failure to have such power or authority would not reasonably be expected to have a Material Adverse Effect and (iii) is, to the extent such concepts are applicable under the laws of the relevant jurisdiction, duly qualified and is authorized to do business and is in good standing in each jurisdiction where the ownership, leasing or operation of its property or the conduct of its business requires such qualifications except for failures to be so qualified or authorized which, either individually or in the aggregate, have not had, and would not reasonably be expected to have, a Material Adverse Effect.

7.02. Power and Authority. Each Credit Party has the Company power and authority to execute, deliver and perform the terms and provisions of each of the Credit Documents to which it is party and has taken all necessary Company action to authorize the execution, delivery and performance by it of each of such Credit Documents. Each Credit Party has duly executed and delivered each of the Credit Documents to which it is party, and each of such Credit Documents constitutes its legal, valid and binding obligation enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law).

7.03. No Violation. Neither the execution, delivery or performance by any Credit Party of the Credit Documents to which it is a party, nor compliance by it with the terms and provisions thereof, (i) will contravene any provision of any law, statute, rule or regulation or any order, writ, injunction or decree of any court or Governmental Authority, except in the case of any contravention that would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect, (ii) will conflict with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under, or result in the creation or imposition of (or the obligation to create or impose) any Lien (except pursuant to the Security Documents) upon any of the property or assets of any Credit Party or any of its Restricted Subsidiaries pursuant to the terms of (x) the Senior Secured Notes Indenture, (y) after the execution and delivery thereof, the Permitted Subordinated Debt Documents, the Permitted Unsecured Debt Documents, Parity Lien Documents, Junior Lien Documents and any Permitted Refinancing Debt Documents in respect of the Senior Secured Notes, the Permitted Subordinated Debt and the Permitted Unsecured Debt, in any such case to the extent governing Indebtedness in an aggregate outstanding principal amount equal to or greater than \$20,000,000, and (z) any other indenture, mortgage, deed of trust, credit agreement, loan agreement or any other agreement, contract or instrument, in each case to which any Credit Party or any of its Restricted Subsidiaries is a party or by which it or any of its property or assets is bound or to which it may be subject, except, in the case of the preceding subclause (x), for any contravention, breach, default, lien and/or conflict, that would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect, or (iii) will violate any provision of the certificate or articles of incorporation, certificate of formation, limited liability company agreement or by-laws (or equivalent organizational documents), as applicable, of any Credit Party.

7.04. Approvals. No material order, consent, approval, license, authorization or validation of, or filing, recording or registration with (except for (a) those orders, consents, approvals, licenses, authorizations, and validations that have otherwise been obtained and those filings, recordings, and registrations that have been made on or prior to the Effective Date and which remain in full force and effect on the Effective Date, and (b) filings which are necessary to perfect the security interests created (and required to be perfected) under the Security Documents or to release existing Liens on the Effective Date as required by this Agreement), or exemption by, any Governmental Authority is required to be obtained or made by, or on behalf of, any Credit Party to authorize, or is required to be obtained or made by, or on behalf of, any Credit Party in connection with, (i) the execution, delivery and performance of any Document or (ii) the legality, validity, binding effect or enforceability of any such Document; except, that (A) certain actions which may be taken by the Administrative Agent, the Collateral Agent or the Lenders in the exercise

of their rights and remedies under this Agreement or any other Credit Document may require the prior consent of the FCC or a Gaming Authority, and (B) copies of this Agreement and the other Credit Documents may be required to be listed or placed in the online public inspection files of one or more Stations for informational purposes and provided to the FCC upon request pursuant to Sections 73.3526 and 73.3613 of the FCC's rules.

7.05. Financial Statements; Financial Condition; Undisclosed Liabilities. (a) The audited consolidated balance sheet of the Administrative Borrower at December 31, 2019 and the related consolidated statements of income and cash flows and changes in shareholders' equity of the Administrative Borrower for the Fiscal Years of the Administrative Borrower ended on such dates, in each case furnished to the Lenders prior to the Effective Date, present fairly in all material respects the consolidated financial position of the Administrative Borrower at the date of said financial statements and the results for the respective periods covered thereby. All such financial statements have been prepared in accordance with GAAP consistently applied except to the extent provided in the notes to such financial statements.

(b) On and as of the Effective Date, and after giving effect to the Transactions and to all Indebtedness (including the Loans) being incurred or assumed and Liens created by the Credit Parties in connection therewith, (i) the sum of the fair value (on a going concern basis) of the assets, at a fair valuation, of the Administrative Borrower and its Restricted Subsidiaries (taken as a whole) will exceed their debts, (ii) the sum of the present fair salable value of the assets (on a going concern basis) of the Administrative Borrower and its Restricted Subsidiaries (taken as a whole) will exceed their debts, (iii) the Administrative Borrower and its Restricted Subsidiaries (taken as a whole) have not incurred and do not intend to incur, and do not believe that they will incur, debts beyond their ability to pay such debts as such debts mature in the ordinary course of business and (iv) the Administrative Borrower and its Restricted Subsidiaries (taken as a whole) are not engaged in business or a transaction, and are not about to engage in business or a transaction, for which the Administrative Borrower and its Restricted Subsidiaries' (taken as a whole) property would constitute unreasonably small capital. For purposes of this Section 7.05(b), "debt" shall mean any liability on a claim, and "claim" shall mean (a) right to payment, whether or not such a right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured or (b) right to an equitable remedy for breach of performance if such breach gives rise to a payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability in the ordinary course of business.

(c) After giving effect to the Transactions, since September 30, 2020, nothing has occurred that has had, or could reasonably be expected to have, a Material Adverse Effect.

7.06. Litigation. As of the Effective Date, there are no actions, suits or proceedings pending or, to the knowledge of the Borrowers, threatened in writing (i) with respect to the Transactions or any Credit Document or (ii) that have a reasonable likelihood of adverse determination, and, if adversely determined, have had, or could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.

7.07. True and Complete Disclosure. All factual information (when furnished and taken as a whole) furnished by or on behalf of the Borrowers in writing to the Administrative Agent or any Lender (including, without limitation, all information contained in the Documents) for purposes of or in connection with this Agreement, the other Credit Documents or any transaction contemplated herein or therein is, and all other such factual information as supplemented (when furnished and taken as a whole) hereafter furnished by or on behalf of the Borrowers in writing to the Administrative Agent or any Lender will be,

true and accurate in all material respects on the date as of which such information is dated or certified and not incomplete by omitting to state any material fact necessary to make such information as supplemented (when furnished and taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided, it being understood and agreed that for purposes of this Section 7.07, such factual information shall not include any pro forma financial information, forecasts, the budgets referred to in Section 8.01(d) or projections or forward looking statements and information regarding general industry or economic conditions.

7.08. Use of Proceeds: Margin Regulations. (a) All proceeds of the Revolving Loans will be used by the Borrowers for the payment of transaction fees and expenses incurred in connection with the Transactions, and for working capital and general corporate purposes, including capital expenditures, Permitted Acquisitions, permitted Investments and permitted Dividends. Notwithstanding anything herein to the contrary, the proceeds of the Revolving Loans will not be used to make any Investment in the Richmond Project, except as permitted as an Investment in accordance with Section 9.05(xvii).

(b) No part of any Credit Event (or the proceeds thereof) will be used to purchase or carry any Margin Stock or to extend credit for the purpose of purchasing or carrying any Margin Stock. Neither the making of any Loan nor the use of the proceeds thereof nor the occurrence of any other Credit Event will violate the provisions of Regulation T, U or X of the Board of Governors of the Federal Reserve System. Not more than twenty-five percent (25%) of the value of the assets of the Administrative Borrower and its Restricted Subsidiaries taken as a whole is represented by Margin Stock.

7.09. Tax Returns and Payments. Each of the Administrative Borrower and each of its Restricted Subsidiaries has timely filed or caused to be timely filed (or filed for extension) with the appropriate taxing authority all income and other Tax returns and reports (the "Returns") required to be filed by, or with respect to the income, properties or operations of, the Administrative Borrowers and/or any of its Restricted Subsidiaries, except (i) with respect to Taxes that are being contested in good faith and for which adequate reserves are being maintained in accordance with GAAP, or (ii) where the failure to timely file or cause to be timely filed such Returns, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect. Each such Return is true, complete and accurate in all material respects. Each of the Administrative Borrower and each of its Subsidiaries has paid all Taxes and assessments payable by it which have become due, other than (i) those that are being contested in good faith and for which adequate reserves are being maintained in accordance with GAAP or (ii) to the extent the failure to pay such Taxes or assessments, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

7.10. Compliance with ERISA. (a) Schedule 7.10 sets forth each Plan as of the Effective Date. Each Plan is in compliance in form and operation with its terms and with ERISA and the Code (including without limitation the Code provisions compliance with which is necessary for any intended favorable tax treatment) and all other applicable laws and regulations, except where any failure to comply could not reasonably be expected to have a Material Adverse Effect. Each Plan (and each related trust, if any) which is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter from the IRS to the effect that it meets the requirements of Sections 401(a) and 501(a) of the Code covering all applicable tax law changes or is comprised of a master or prototype plan that has received a favorable opinion letter from the IRS, and, to the knowledge of the Borrowers or any Subsidiary of any of the Borrowers, nothing has occurred since the date of such determination that would adversely affect such determination (or, in the case of a Plan with no determination, to the knowledge of the Borrowers or any Subsidiary of any of the Borrowers, nothing has occurred that would materially adversely affect the issuance of a favorable determination letter or otherwise materially adversely affect such qualification). No ERISA Event has occurred other than as would not individually or in the aggregate, have a Material Adverse Effect.

(b) There exists no Unfunded Pension Liability with respect to any Plan that would have a Material Adverse Effect.

(c) To the knowledge of the Borrowers or any Subsidiary of any of the Borrowers, no Multiemployer Plan is insolvent. None of the Borrowers, any Subsidiary of any of the Borrowers or any ERISA Affiliate has incurred a complete or partial withdrawal from any Multiemployer Plan, and if each of the Borrowers, each Subsidiary of any of the Borrowers and each ERISA Affiliate were to withdraw in a complete withdrawal as of the date this assurance is given or deemed given, the aggregate withdrawal liability that would be incurred would not reasonably be expected to result in a Material Adverse Effect.

(d) There are no actions, suits or claims pending against or involving a Plan (other than routine claims for benefits) or, to the knowledge of the Borrowers or any Subsidiary of any of the Borrowers, which would reasonably be expected to be asserted successfully against any Plan and, if so asserted successfully, would reasonably be expected either singly or in the aggregate to have a Material Adverse Effect.

(e) The Borrowers, each Subsidiary of any of the Borrowers and each ERISA Affiliate have made all material contributions to or under each Plan and Multiemployer Plan required by law within the applicable time limits prescribed thereby, the terms of such Plan or Multiemployer Plan, respectively, or any contract or agreement requiring contributions to a Plan or Multiemployer Plan save where any failure to comply, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

(f) No Plan which is subject to Section 412 of the Code or Section 302 of ERISA has applied for or received an extension of any amortization period, within the meaning of Section 412 of the Code or Section 303 or 304 of ERISA. None of the Borrowers, any Subsidiary of any of the Borrowers, or any ERISA Affiliate has ceased operations at a facility so as to become subject to the provisions of Section 4068(a) of ERISA, withdrawn as a substantial employer so as to become subject to the provisions of Section 4063 of ERISA or ceased making contributions to any Plan subject to Section 4064(a) of ERISA to which it made contributions. No lien imposed under the Code or ERISA on the assets of any Borrower or any Subsidiary of any of the Borrowers or any ERISA Affiliate exists or is likely to arise on account of any Plan. None of the Borrowers, any Subsidiary of any of the Borrowers or any ERISA Affiliate has any liability under Section 4069 or 4212(c) of ERISA.

(g) Except as would not, individually or in the aggregate, have a Material Adverse Effect, (i) each Foreign Pension has been maintained in compliance with its terms and with the requirements of any and all applicable laws, statutes, rules, regulations and orders and has been maintained, where required, in good standing with applicable regulatory authorities, (ii) all contributions required to be made with respect to a Foreign Pension Plan have been timely made, (iii) neither the Administrative Borrower nor any of its Subsidiaries has incurred any obligation in connection with the termination of, or withdrawal from, any Foreign Pension Plan and (iv) the present value of the accrued benefit liabilities (whether or not vested) under each Foreign Pension Plan, determined as of the end of the Administrative Borrower's most recently ended Fiscal Year on the basis of actuarial assumptions, each of which is reasonable, did not exceed the current value of the assets of such Foreign Pension Plan allocable to such benefit liabilities.

7.11. Security Documents. (a) The provisions of the Security Agreement are effective to create in favor of the Collateral Agent for the benefit of the Secured Creditors a legal, valid and enforceable (except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law)) security interest in all right, title and interest of the Credit Parties in the Security Agreement Collateral described therein, and the Collateral

Agent, for the benefit of the Secured Creditors, has (or, after the filing of UCC-1 financing statements and the taking of such other actions as are required by the Security Agreement, will have) a fully perfected security interest in all right, title and interest in all of the Security Agreement Collateral described therein (if and to the extent such Security Agreement Collateral can be perfected by the actions required by the Security Agreement), subject to no other Liens other than Permitted Liens and subject to the Revolver Intercreditor Agreement. The recordation of (x) the Grant of Security Interest in U.S. Patents and (y) the Grant of Security Interest in U.S. Trademarks in the respective form attached to the Security Agreement, in each case in the United States Patent and Trademark Office, together with filings on Form UCC-1 made pursuant to the Security Agreement, will create, as may be perfected by such filings and recordation, a perfected security interest in the United States trademark registrations and United States patents that are part of the Security Agreement Collateral, and the recordation of the Grant of Security Interest in U.S. Copyrights in the form attached to the Security Agreement with the United States Copyright Office, together with filings on Form UCC-1 made pursuant to the Security Agreement, will create, as may be perfected by such filings and recordation, a perfected security interest in the United States copyright registrations that are part of the Security Agreement Collateral.

(b) The security interests created under the Pledge Agreement in favor of the Collateral Agent, as Pledgee, for the benefit of the Secured Creditors, constitute perfected security interests in the Pledge Agreement Collateral described in the Pledge Agreement (if and to the extent such Pledge Agreement Collateral can be perfected by the actions required by the Pledge Agreement), subject to no security interests of any other Person (other than Permitted Liens) and subject to the Revolver Intercreditor Agreement. No filings or recordings are required in order to perfect (or maintain the perfection or priority of) the security interests created in the Pledge Agreement Collateral constituting "certificated securities" (as defined in the UCC) under the Pledge Agreement, so long as the Collateral Agent (or designated agent thereof) possesses or "controls" (within the meaning provided in the UCC) such Pledge Agreement Collateral.

7.12. Properties. All Real Property owned by the Administrative Borrower or any of its Restricted Subsidiaries as of the Effective Date, and the nature of the interest therein, is correctly set forth in Schedule 5.13. Each of the Administrative Borrower and each of its Restricted Subsidiaries has good and marketable title to all Real Property owned by it (except as sold or otherwise disposed of as permitted by the terms of this Agreement) and necessary in the ordinary conduct of its business, free and clear of all Liens, other than Permitted Liens.

7.13. Restricted Subsidiaries. On and as of the Effective Date, the Administrative Borrower has no Restricted Subsidiaries other than those Restricted Subsidiaries listed on Schedule 7.13. Schedule 7.13 sets forth, as of the Effective Date, the percentage ownership (direct and indirect) of the Administrative Borrower in each class of Equity Interests of each of its Restricted Subsidiaries and also identifies the direct owner thereof. Except as set forth on Schedule 7.13, all outstanding shares of Equity Interests of each Restricted Subsidiary of the Administrative Borrower have been duly and validly issued, are fully paid and non-assessable (to the extent applicable) and have been issued free of preemptive rights. Except as set forth on Schedule 7.13, no Restricted Subsidiary of the Administrative Borrower has outstanding any securities convertible into or exchangeable for its Equity Interests or outstanding any right to subscribe for or to purchase, or any options or warrants for the purchase of, or any agreement providing for the issuance (contingent or otherwise) of or any calls, commitments or claims of any character relating to, its Equity Interests or any stock appreciation or similar rights.

7.14. Compliance with Statutes, etc. Each of the Administrative Borrower and each of its Restricted Subsidiaries is in compliance with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities in respect of the conduct of its business and the ownership of its property (including, without limitation, applicable statutes, regulations, orders and

restrictions relating to environmental standards and controls), except such non-compliances as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

7.15. Investment Company Act. Neither the Administrative Borrower nor any of its Restricted Subsidiaries is an "investment company" or a company "controlled" by an "investment company," within the meaning of the Investment Company Act of 1940, as amended.

7.16. [Intentionally Omitted].

7.17. Environmental Matters. Except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect: (a) each of the Administrative Borrower and each of its Restricted Subsidiaries is in compliance with all applicable Environmental Laws and has obtained and is in compliance with the terms of any permits required under such Environmental Laws; (b) there are no Environmental Claims pending, or to the knowledge of the Borrowers, threatened, against the Administrative Borrower or any of its Restricted Subsidiaries; (c) no Lien, other than a Permitted Lien, has been recorded, or to the knowledge of the Borrowers, threatened under any Environmental Law with respect to any Real Property currently owned by the Administrative Borrower or any Restricted Subsidiary; (d) neither the Administrative Borrower nor any of its Restricted Subsidiaries has agreed to contractually assume or accept responsibility, for any liability of any other Person under any Environmental Law; and (e) there are no facts, circumstances, conditions or occurrences with respect to the past or present business or operations of the Administrative Borrower or any of its Restricted Subsidiaries, or any of their respective predecessors, or any Real Property at any time owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries that could reasonably be expected to give rise to any Environmental Claim or any liability under any Environmental Law. This Section 7.17 and Sections 7.05, 7.07 and 7.14 set forth the sole representations and warranties of the Borrowers and the Subsidiaries with respect to environmental matters.

7.18. Employment and Labor Relations. Neither the Administrative Borrower nor any of its Restricted Subsidiaries is engaged in any unfair labor practice that could reasonably be expected, either individually or in the aggregate, to have a Material Adverse Effect. There is (i) no unfair labor practice complaint pending against the Administrative Borrower or any of its Restricted Subsidiaries or, to the knowledge of the Borrowers, threatened against any of them, before the National Labor Relations Board, and no grievance or arbitration proceeding arising out of or under any collective bargaining agreement is so pending against the Administrative Borrower or any of its Restricted Subsidiaries or, to the knowledge of the Borrowers, threatened in writing against any of them, (ii) no strike, labor dispute, slowdown or stoppage pending against the Administrative Borrower or any of its Restricted Subsidiaries or, to the knowledge of the Borrowers, threatened against the Administrative Borrower or any of its Restricted Subsidiaries, (iii) no union representation question exists with respect to the employees of the Administrative Borrower or any of its Restricted Subsidiaries, (iv) no equal employment opportunity charges or other claims of employment discrimination are pending or, to the Borrowers' knowledge, threatened against the Administrative Borrower or any of its Restricted Subsidiaries and (v) no wage and hour department investigation has been made of the Administrative Borrower or any of its Restricted Subsidiaries, except (with respect to any matter specified in clauses (i) through (v) above, either individually or in the aggregate) such as could not reasonably be expected to have a Material Adverse Effect.

7.19. Intellectual Property. Each of the Administrative Borrower and each of its Restricted Subsidiaries owns or has the right to use all patents, trademarks, permits, domain names, service marks, trade names, copyrights, inventions, trade secrets, proprietary information and know-how of any type, whether or not written (including, but not limited to, rights in computer programs and databases) and formulas, necessary for the present conduct of its or their business, without, to the knowledge of the Borrowers, any infringement of the intellectual property rights of others which, or the failure to own or



have such right to use which, as the case may be, would reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect.

7.20. [Intentionally Omitted].

7.21. Subordination. The subordination provisions contained in any Permitted Subordinated Debt Documents and any agreements or instruments relating to any Permitted Refinancing Indebtedness in respect of the foregoing, are enforceable against the Borrowers and/or the Subsidiary Guarantors, as applicable, and the holders of such Indebtedness, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law), and all Obligations hereunder and all obligations of the Credit Parties under the other Credit Documents (including without limitation, the Guaranty) are within the definitions of "Senior Debt" or "Senior Guarantees" (or other comparable term), as applicable, and "Designated Senior Debt" included in such subordination provisions.

7.22. Ownership of Stations. As of the Effective Date, (a) Schedule 7.22 completely and correctly lists each Station owned directly or indirectly by the Administrative Borrower or any of its Restricted Subsidiaries and (b) neither the Administrative Borrower nor any of its Restricted Subsidiaries owns any Station other than the Stations so listed.

7.23. FCC Licenses and Other Matters. (a) Schedule 7.23 accurately lists all material authorizations, licenses, permits and franchises granted or assigned to the Administrative Borrower and its Restricted Subsidiaries by the FCC and all applications therefor with respect to the Stations as of the Effective Date. The Administrative Borrower and each of its Restricted Subsidiaries hold all Necessary Authorizations required to conduct the businesses of the Stations as presently conducted and have filed all applications for Necessary Authorizations required to conduct the businesses of the Stations as proposed to be conducted. All FCC Licenses and Necessary Authorizations are in full force and effect and are duly issued in the name of, or validly assigned to, the Administrative Borrower or a Restricted Subsidiary. Schedule 7.23 also correctly specifies the expiration date of each FCC License in effect as of the Effective Date.

(b) Except as set forth on Schedule 7.23, the Administrative Borrower and its Restricted Subsidiaries are in compliance in all material respects with applicable Communications Law as of the Effective Date. There is no investigation, notice of apparent liability, notice of violation, notice of forfeiture or complaint issued by or filed with or before the FCC with respect to any Station (other than proceedings relating to the broadcast industry generally), except such investigations, notices or complaints as would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No event has occurred that has resulted in, or after notice or lapse of time or both would reasonably be expected to result in, revocation, suspension, material adverse modifications, non-renewal, material impairment, material restriction or termination of, or material order of forfeiture with respect to, any material FCC License or other Necessary Authorization.

(c) The Administrative Borrower and its Restricted Subsidiaries have duly filed any and all material filings, reports, applications, documents, instruments and information required to be filed by it under the Communications Act, and all such filings were when made true, correct and complete in all material respects.

7.24. [Intentionally Omitted].

7.25. Sanctioned Persons; FCPA. (a) None of the Administrative Borrower or any Restricted Subsidiary, nor any director, officer or employee thereof, nor, to the knowledge of the Borrowers, any agent, representative, Affiliate or any other person associated with or acting on behalf of the Administrative Borrower or any Restricted Subsidiary is a Person that is, or is owned or controlled by a Person, currently subject to, the target of, or located within any country or territory the target of, any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department (OFAC) or the U.S. Department of State and, including without limitation, the designation as a "specially designated national" or "blocked person" (together, the "Sanctions"); and the Borrowers will not directly or indirectly knowingly use the proceeds of the Loans, or otherwise make available such proceeds to any Person, for the purpose of financing the activities of any Person currently subject to, the target of, or located within any country or territory the subject of any Sanctions or in manner that will result in a violation of Sanctions by any Person.

(b) The Administrative Borrower and each of its Subsidiaries have conducted and will continue to conduct their businesses in material compliance with the U.S. Foreign Corrupt Practices Act ("FCPA") and all applicable anti-corruption laws and have instituted and maintain and will continue to maintain policies and procedures reasonably designed to ensure compliance with such laws and with the representation and warranty contained herein. No part of the proceeds of the Loans will be used, directly or indirectly knowingly, in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of the FCPA or any other applicable anti-corruption law.

7.26. Eligible Accounts. As to each Account that is identified by the Administrative Borrower as an Eligible Account in a Borrowing Base Certificate submitted to Administrative Agent, such Account is, as of the date of such Borrowing Base Certificate, (a) a bona fide existing payment obligation of the applicable Account Debtor created by the sale and delivery of Inventory or the rendition of services to such Account Debtor in the ordinary course of a Borrower's business, (b) owed to a Borrower and (c) not excluded as ineligible by virtue of one or more of the excluding criteria (other than Administrative Agent-discretionary criteria) set forth in the definition of Eligible Accounts.

SECTION 8. Affirmative Covenants. The Borrowers hereby covenant and agree that on and after the Effective Date and until the Total Commitment has terminated and the Loans (together with interest thereon), Fees and all other Obligations (other than indemnities described in Section 12.13 and reimbursement obligations under Section 12.01 which, in either case, are not then due and payable) incurred hereunder and thereunder, are paid in full:

8.01. Information Covenants. The Administrative Borrower will furnish to each Lender:

(a) Quarterly Financial Statements. Within forty-five (45) days after the close of each of the first three (3) quarterly accounting periods in each Fiscal Year of the Administrative Borrower (or, if earlier, ten (10) days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), the consolidated balance sheet of the Administrative Borrower and its Subsidiaries as at the end of such quarterly accounting period and the related consolidated statements of income and retained earnings and statement of cash flows for such quarterly accounting period and for the elapsed portion of the Fiscal Year ended with the last day of such quarterly accounting period, in each case setting forth comparative figures for the corresponding quarterly accounting period in the prior Fiscal Year, all of which shall be certified by the chief financial officer of the Administrative Borrower that they fairly present in all material respects in accordance with GAAP the financial condition of the Administrative Borrower and its Restricted Subsidiaries as of the dates indicated and the results of their operations for the periods indicated, subject to normal year-end audit adjustments and the absence of footnotes; provided, that at any time the Administrative Borrower has any Unrestricted Subsidiaries, that, individually or in the aggregate, with any other Subsidiary designated by the Administrative Borrower as an Unrestricted

Subsidiary at any time after the Effective Date, would constitute a Significant Subsidiary, then the quarterly financial information required by this Section 8.01(a) shall include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Administrative Borrower and its Restricted Subsidiaries excluding the financial condition and results of operations of the Unrestricted Subsidiaries of the Administrative Borrower; provided, further, that in the event that the Administrative Borrower is no longer required to file reports and registration statements with the SEC, the Administrative Borrower will furnish, concurrently with the delivery of the financial statements referred to in this clause (a), a copy of management's discussion and analysis of the important operational and financial developments during such quarterly accounting period.

(b) Annual Financial Statements. Within one hundred five (105) days after the close of each Fiscal Year of the Administrative Borrower (or, if earlier, fifteen (15) days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), (i) the consolidated balance sheet of the Administrative Borrower and its Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of income and retained earnings and statement of cash flows for such Fiscal Year setting forth comparative figures for the preceding Fiscal Year and certified by Ernst & Young LLP or other independent certified public accountants of recognized national standing or other independent certified public accountants reasonably acceptable to the Administrative Agent, accompanied by an opinion of such accounting firm (which opinion shall be without a "going concern" or like qualification or exception and without any qualification or exception as to scope of audit all other than (w) a "going concern" exception or explanatory note resulting solely from an upcoming maturity of any Indebtedness occurring within one year from the most recent balance sheet date to which such opinion relates, (x) any actual or potential Default or Event of Default of any financial covenant under this Agreement and/or any other Indebtedness, and/or (y) the activities, operations, financial results, assets or liabilities of Unrestricted Subsidiaries) stating that in the course of its regular audit of the financial statements of the Administrative Borrower and its Subsidiaries, which audit was conducted in accordance with generally accepted auditing standards, such accounting firm obtained no knowledge of any Default or an Event of Default relating to financial or accounting matters which has occurred and is continuing or, if in the opinion of such accounting firm such a Default or an Event of Default has occurred and is continuing, a statement as to the nature thereof, and (ii) management's discussion and analysis of the important operational and financial developments during such Fiscal Year; provided, that at any time the Administrative Borrower has any Unrestricted Subsidiaries, that, individually or in the aggregate, with any other Subsidiary designated by the Administrative Borrower as an Unrestricted Subsidiary at any time after the Effective Date, would constitute a Significant Subsidiary, then the annual financial information required by this Section 8.01(b) shall include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Administrative Borrower and its Restricted Subsidiaries excluding the financial condition and results of operations of the Unrestricted Subsidiaries of the Administrative Borrower (although such separate presentation of financial information excluding the effects of Unrestricted Subsidiaries need not be audited).

(c) PATRIOT Act. Promptly after the request by any Lender, (i) all documentation and other information that such Lender reasonably requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act, and (ii) in the event any Credit Party qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, a Beneficial Ownership Certification in relation to such Credit Party.

(d) Budget. No later than sixty (60) days following the first day of each Fiscal Year of the Administrative Borrower, a budget in the form of Exhibit K hereto (with such modifications thereto as may be reasonably acceptable to the Administrative Agent and the Administrative Borrower).

(e) Officer's Certificates. At the time of the delivery of the financial statements provided for in Sections 8.01(a) and (b), a compliance certificate from an Authorized Officer of the Administrative Borrower substantially in the form of Exhibit L (with blanks appropriately completed and with any deviations from such form as may be reasonably acceptable to the Administrative Agent) certifying on behalf of the Administrative Borrower that, to such officer's knowledge after due inquiry, no Default or Event of Default has occurred and is continuing or, if any Default or Event of Default has occurred and is continuing, specifying the nature and extent thereof, which certificate shall (i) set forth in reasonable detail the calculations required to establish whether the Administrative Borrower and its Restricted Subsidiaries were in compliance with the provisions of Section 9.07 at the end of such Fiscal Quarter or Fiscal Year, as the case may be, whether or not such financial covenant is then in effect, (ii) solely in connection with the certificate delivered with the financial statements provided in Section 8.01(b), certify that there have been no changes to Annexes C through F, and Annexes I through K, in each case of the Security Agreement and Annexes A through F of the Pledge Agreement, in each case since the Effective Date or, if later, since the date of the most recent certificate delivered pursuant to this Section 8.01(e), or if there have been any such changes, a list in reasonable detail of such changes (but, in each case with respect to this clause (ii), only to the extent that such changes are required to be reported to the Collateral Agent pursuant to the terms of such Security Documents) and whether the Borrowers and the other Credit Parties have otherwise taken all actions required to be taken by them pursuant to such Security Documents in connections with any such changes, and (iii) set forth a list of all Restricted Subsidiaries and Unrestricted Subsidiaries of the Administrative Borrower as of the date of such compliance certificate.

(f) Notice of Default, Litigation and Material Adverse Effect. Promptly, and in any event within five (5) Business Days after any Authorized Officer of the Administrative Borrower or any of its Subsidiaries obtains knowledge thereof, notice of (i) the occurrence of any event which constitutes a Default or an Event of Default, (ii) any litigation, investigation or proceeding pending against the Administrative Borrower or any of its Restricted Subsidiaries (x) which, either individually or in the aggregate, has a reasonable likelihood of adverse determination and such adverse determination would reasonably be expected to have, a Material Adverse Effect or (y) with respect to any Credit Document, (iii) the filing or commencement of any action, suit or proceeding by or before any arbitrator, the FCC or any other Governmental Authority against or affecting the Administrative Borrower or any Affiliate thereof that, if adversely determined, would reasonably be expected to result in a Material Adverse Effect, (iv) (x) any material admonition, censure or adverse citation or order by the FCC or any other Governmental Authority or regulatory agency that would reasonably be expected to result in a Material Adverse Effect or (y) any competing application, petition to deny or other opposition to any license renewal application filed by the Administrative Borrower or any of its Subsidiaries with the FCC that would reasonably be expected to result in a Material Adverse Effect, (v) information and a copy of any notice received by the Administrative Borrower or any of its Restricted Subsidiaries from the FCC or other Governmental Authority or any Person that concerns (x) any event or circumstance that would reasonably be expected to materially adversely affect any material Necessary Authorization and (y) any notice of abandonment, expiration, revocation, material impairment, nonrenewal or suspension of any material Necessary Authorization, together with a written explanation of any such event or circumstance or the circumstances surrounding such abandonment, expiration, revocation, material impairment, nonrenewal or suspension or (vi) any other event, change or circumstance that has had, or would reasonably be expected to have, a Material Adverse Effect.

(g) Other Reports and Filings. To the extent not otherwise delivered hereunder, promptly after the filing or delivery thereof, copies of all material financial information, proxy materials and reports, if any, which the Administrative Borrower or any of its Restricted Subsidiaries shall publicly file with the U.S. Securities and Exchange Commission or any successor thereto (the "SEC") (which delivery requirement shall be deemed satisfied by the posting of such information, materials or reports on EDGAR or any successor website maintained by the SEC so long as the Administrative Agent shall have

been promptly notified in writing by the Administrative Borrower of the posting thereof) or deliver to holders (or any trustee, agent or other representative therefor) of any Qualified Preferred Stock, any Disqualified Preferred Stock, any Designated Preferred Stock, the Senior Secured Notes, any other Parity Lien Debt, any Junior Lien Debt, any Permitted Subordinated Debt, any Permitted Unsecured Debt or any Permitted Refinancing Debt Documents governing Permitted Refinancing Indebtedness in respect of the foregoing Indebtedness.

(h) Environmental Matters. Promptly after any Authorized Officer of the Administrative Borrower or any of its Restricted Subsidiaries obtains knowledge thereof, notice of one or more of the following environmental matters to the extent that such environmental matters, either individually or when aggregated with all other such environmental matters, would reasonably be expected to have a Material Adverse Effect:

(i) any pending or threatened Environmental Claim against the Administrative Borrower or any of its Restricted Subsidiaries or any Real Property owned, leased or operated by the Borrower or any of its Restricted Subsidiaries;

(ii) any condition or occurrence on or arising from any Real Property owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries that (a) results in noncompliance by the Administrative Borrower or any of its Restricted Subsidiaries with any applicable Environmental Law or (b) could reasonably be expected to form the basis of an Environmental Claim against the Administrative Borrower or any of its Restricted Subsidiaries or any such Real Property;

(iii) any condition or occurrence on any Real Property owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries that could reasonably be expected to cause such Real Property to be subject to any restrictions on the ownership, lease, occupancy, use or transferability by the Administrative Borrower or any of its Restricted Subsidiaries of such Real Property under any Environmental Law; and

(iv) the taking of any removal or remedial action to the extent required by any Environmental Law or any Governmental Authority in response to the Release or threatened Release of any Hazardous Material on any Real Property owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries.

All such notices under this clause (h) shall describe in reasonable detail the nature of the claim, investigation, condition, occurrence or removal or remedial action and the Administrative Borrower's or such Restricted Subsidiary's response thereto.

(i) Other FCC Information. Promptly upon their becoming available, (i) copies of any material correspondence exchanged with the FCC or any other federal, state or local governmental agency or authority and (ii) copies of any periodic or special reports filed by the Administrative Borrower or any of its Restricted Subsidiaries with the FCC or any other federal, state or local governmental agency or authority, in each case if such reports or correspondence indicate any material change in the ownership of the Administrative Borrower or such Restricted Subsidiary, or any materially adverse change in the business, operations, affairs or condition of the Administrative Borrower or such Restricted Subsidiary.

(j) Collateral Reports. Promptly with each of the reports set forth on Schedule 8.01(j) at the times specified therein (and more frequently as the Administrative Agent may reasonably require and is reasonably feasible for the Borrowers to deliver at any time an Event of Default has occurred and is continuing). In addition, the Borrowers agree to use commercially reasonable efforts in cooperation with

Administrative Agent to facilitate and implement a system of electronic collateral reporting in order to provide electronic reporting of each of the items set forth on such Schedule.

(k) Other Information. Promptly upon reasonable request, such other information or documents (financial or otherwise) with respect to the Administrative Borrower or any of its Subsidiaries as the Administrative Agent or any Lender (through the Administrative Agent) may reasonably request; provided, that the Administrative Borrower and its Subsidiaries shall not be required to disclose any information to the Administrative Agent or any Lender to the extent it is subject to confidentiality agreements (to the extent such confidentiality agreement was not created in contemplation of such Credit Party's or Subsidiary's obligations under this Section 8.01(k)) or attorney/client privilege or to the extent such disclosure is prohibited by applicable law; provided, in each case, that each of the Borrowers shall have notified the Administrative Agent that such document or information is being withheld on the basis of the foregoing.

Financial statements required to be delivered pursuant to Sections 8.01(a) and (b) and information required to be delivered pursuant to Section 8.01(g) (in each case, to the extent such financial statements or information are included in materials otherwise filed with the SEC) shall be deemed to have been delivered to the Administrative Agent on the date on which such information has been posted on the Administrative Borrower's website on the Internet at <http://www.urban1.com> (or such other website identified by the Administrative Borrower to the Administrative Agent) or is available via the EDGAR system of the SEC on the Internet (to the extent such information has been posted or is available as described in such notice); provided, that in each case the Administrative Borrower shall (x) notify the Administrative Agent of the posting of any such documents and (y) notwithstanding the immediately subsequent sentence, deliver paper copies of any such documents to the Administrative Agent if the Administrative Agent or any Lender requests the Administrative Borrower to furnish such paper copies until written notice to cease delivering such paper copies is given by the Administrative Agent. Information required to be delivered pursuant to this Section 8.01 (including, but not limited to, clauses (a) and (b)) may also be delivered by electronic communication pursuant to procedures permitted by this Agreement. Notwithstanding anything to the contrary contained in this Section 8.01, the Administrative Borrower shall not be required to deliver to the Administrative Agent or any Lender any information subject to confidentiality agreements (to the extent such confidentiality agreement was not created in contemplation of such Credit Party's or Subsidiary's obligations under this Section 8.01), attorney/client work privilege or to the extent such disclosure is prohibited by applicable law; provided, in each case, that each of the Borrowers shall have notified the Administrative Agent that such document or information is being withheld on the basis of the foregoing.

8.02. Books, Records and Inspections; Annual Conference Calls. (a) The Borrowers will, and will cause each of their respective Restricted Subsidiaries to, keep proper books of record and accounts in which full, true and correct entries in conformity with GAAP and all material requirements of law shall be made of all material dealings and transactions in relation to its business and activities. The Borrowers will, and will cause each of their respective Restricted Subsidiaries to, permit officers and designated representatives of the Administrative Agent or any Lender to visit, inspect and conduct field examinations, under guidance of officers of such Borrower or such Restricted Subsidiary, any of the properties of such Borrower or such Restricted Subsidiary, and to examine the books of account of such Borrower or such Restricted Subsidiary and discuss the affairs, finances and accounts of such Borrower or such Restricted Subsidiary with, and be advised as to the same by, its and their officers and independent accountants, all upon reasonable prior notice and at such reasonable times and intervals and to such reasonable extent as the Administrative Agent or any such Lender may reasonably request; provided, that the Administrative Borrower and its Restricted Subsidiaries shall not be required to disclose any information to the Administrative Agent or any Lender to the extent it is subject to confidentiality agreements or attorney/client privilege or to the extent such disclosure is prohibited by applicable law; provided, further,

that the Administrative Agent shall give such Borrower the opportunity to participate in any discussion with its accountants; provided, further, that excluding any such visits and inspections during the continuation of an Event of Default or excluding any field examination conducted in connection with a Permitted Acquisition, only the Administrative Agent on behalf of the Lenders may exercise rights of the Administrative Agent and the Lenders under this Section 8.02 and the Administrative Agent shall not exercise such rights more often than one (1) time during any twelve (12) consecutive month period; provided, however, that (i) one additional field examination may be conducted prior to the six (6) month anniversary of the Effective Date at the cost and expense of the Borrowers, (ii) during a Reporting Period, one (1) additional field examination may be conducted during such twelve (12) consecutive month period at the cost and expense of the Borrowers, (iii) when an Event of Default exists, the Administrative Agent or any Lender (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of the Borrowers at any time during normal business hours and upon reasonable advance notice and (iv) the Administrative Agent may, at any other time during normal business hours and upon reasonable advance written notice, conduct one additional field examination during any twelve (12) consecutive month period at the expense of the Administrative Agent and the Lenders.

(b) At the request of the Administrative Agent, the Administrative Borrower will within ten (10) days after the date of the delivery (or, if later, required delivery) of the annual financial information pursuant to Section 8.01(b), hold a conference call or teleconference, at a time selected by the Administrative Borrower and reasonably acceptable to the Administrative Agent, with all of the Lenders that choose to participate, to review the financial results of the previous Fiscal Year, as the case may be, and the financial condition of the Administrative Borrower and its Subsidiaries and the budgets presented for the current Fiscal Year of the Administrative Borrower and its Restricted Subsidiaries.

(c) The Administrative Agent, in the exercise of its Permitted Discretion, shall have the right to confirm and verify all Accounts by any manner and through any medium it considers advisable (it being understood and agreed that, so long as (i) the Revolver Usage is less than fifty percent (50%) of the then Revolving Loan Commitment and (ii) no Event of Default exists and is continuing, the Administrative Agent shall not confirm and/or verify any Accounts).

8.03. Maintenance of Property; Insurance. (a) The Borrowers will, and will cause each of their respective Restricted Subsidiaries to, (i) keep all material property (other than intellectual property) necessary to the business of such Borrower and its Restricted Subsidiaries in good working order and condition, ordinary wear and tear excepted and subject to the occurrence of casualty and condemnation events, and (ii) maintain insurance on all material property (other than intellectual property) and against all such risks as is customary for companies in the same or similar businesses as Administrative Borrower and its Restricted Subsidiaries (including through self-insurance). Promptly following the reasonable request of the Collateral Agent, acting at the direction of the Required Lenders, the Borrowers and the other Credit Parties will furnish to the Collateral Agent full information as to their property and liability insurance carriers (absent an Event of Default, limited to one request per year).

(b) The Borrowers will, and will cause each Credit Party to, at all times keep its property insured in favor of the Collateral Agent, and all policies or certificates (or certified copies thereof) with respect to general liability, property casualty insurance and any excess umbrella coverage insurance (i) shall be endorsed to the Collateral Agent's reasonable satisfaction for the benefit of the Collateral Agent (including, without limitation, by naming the Collateral Agent as loss payee and/or additional insured, as applicable), (ii) shall state that the insurers under such insurance policies shall endeavor to provide at least thirty (30) days' (or, in the event of cancellation for nonpayment of premium, ten (10) days') prior written notice of the cancellation thereof by the respective insurer to the Collateral Agent, and (iii) shall be deposited with the Collateral Agent, in each case, subject to the Revolver Intercreditor Agreement.

(c) If the Administrative Borrower or any of its Restricted Subsidiaries shall fail to maintain insurance in accordance with this Section 8.03, or if any of the Borrowers or any of the other Credit Parties shall fail to so endorse and deposit all policies or certificates in accordance with Section 8.03(b) above, the Administrative Agent shall have the right (but shall be under no obligation) upon five (5) Business Days' prior written notice to the Administrative Borrower, to procure such insurance and the Borrowers agrees to reimburse the Administrative Agent for all reasonable out-of-pocket costs and expenses of procuring such insurance.

8.04. Existence; Franchises. The Borrowers will, and will cause each of their respective Restricted Subsidiaries to, do or cause to be done, all things necessary to preserve and keep in full force and effect its existence and its material franchises, Licenses and permits, except to the extent any such failure would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; provided, however, that nothing in this Section 8.04 shall prevent sales of assets and other transactions, dispositions or actions or omissions by the Administrative Borrower or any of its Restricted Subsidiaries not prohibited by this Agreement.

8.05. Compliance with Statutes, etc. The Borrowers will, and will cause each of their respective Restricted Subsidiaries to, comply with all applicable statutes, regulations and orders of, and all applicable restrictions imposed by, all Governmental Authorities in respect of the conduct of its business and the ownership of its property (including applicable statutes, regulations, orders and restrictions relating to environmental standards and controls), except such non-compliances as would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

8.06. Compliance with Environmental Laws. (a) The Borrowers will comply, and will cause each of their respective Restricted Subsidiaries to comply, with all Environmental Laws and permits required thereunder applicable to, or required by, the ownership, lease or use of its Real Property now or hereafter owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries, except such non-compliances as would not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) (i) After the receipt by the Administrative Agent or any Lender of any notice of the type described in Section 8.01(h), (ii) at any time that the Administrative Borrower or any of its Restricted Subsidiaries is not in compliance with Section 8.06(a) or (iii) in the event that the Administrative Agent or the Lenders have exercised any of the remedies pursuant to the last paragraph of Section 10, the Borrowers will provide, at the sole expense of the Borrowers and at the written request of the Administrative Agent, an environmental site assessment report concerning any Real Property owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries, prepared by an environmental consulting firm reasonably approved by the Administrative Agent, reasonable in scope based upon the circumstances of the request, indicating, where relevant to the subject matter of the request, the presence or absence of Hazardous Materials and the potential cost of any removal or remedial action in connection with such Hazardous Materials on such Real Property or the nature of any noncompliance or other liability and the potential cost of any corrective actions required to remedy the condition or event at issue. If the Borrowers fail to take adequate steps to provide the same within thirty (30) days after such request was made, the Administrative Agent may order the same, the cost of which shall be borne by the Borrowers, and the Borrowers shall grant and do hereby grant to the Administrative Agent and the Lenders and their respective agents access to such Real Property and specifically grants the Administrative Agent and the Lenders an irrevocable non-exclusive license, subject to the rights of tenants, to undertake such an assessment at any reasonable time upon reasonable notice to the Borrowers, all at the sole expense of the Borrowers.



8.07. ERISA-Related Information. The Borrowers shall supply to the Administrative Agent (in sufficient copies for all the Lenders, if the Administrative Agent so requests):

(a) promptly and in any event within fifteen (15) days receiving a request from the Administrative Agent a copy of IRS Form 5500 (including the Schedule B) with respect to a Plan;

(b) promptly and in any event within thirty (30) days after any Borrowers, any Subsidiary of the Borrowers or any ERISA Affiliate knows or has reason to know that any ERISA Event has occurred that would reasonably be expected to result in material liability to the Administrative Borrower or any Subsidiary of the Administrative Borrower, a certificate of the chief financial officer of the Administrative Borrower describing such ERISA Event and the action, if any, proposed to be taken with respect to such ERISA Event and a copy of any notice filed with the PBGC or the IRS pertaining to such ERISA Event and any notices received by such Borrower, such Subsidiary of such Borrower or such ERISA Affiliate from the PBGC or any other governmental agency with respect thereto; provided, that, in the case of ERISA Events under paragraph (d) of the definition thereof, the thirty (30) day period set forth above shall be a ten (10) day period, and, in the case of ERISA Events under paragraph (b) of the definition thereof, in no event shall notice be given later than ten (10) days after the occurrence of the ERISA Event;

(c) promptly, and in any event within thirty (30) days, after becoming aware that there has been (A) an increase in Unfunded Pension Liabilities (taking into account only Plans with positive Unfunded Pension Liabilities) that are reasonably expected to result in material liability to the Borrowers since the date the representations hereunder are given or deemed given, or from any prior notice, as applicable; (B) a material increase since the date the representations hereunder are given or deemed given, or from any prior notice, as applicable, in potential withdrawal liability under Section 4201 of ERISA, if the Borrowers, any Subsidiary of the Borrowers and the ERISA Affiliates were to withdraw completely from any and all Multiemployer Plans that are reasonably expected to result in material liability to the Administrative Borrower or any Subsidiary; or (C) the adoption of any amendment to a Plan which results in a material increase in contribution obligations of the Administrative Borrower or any Subsidiary, a detailed written description thereof from the chief financial officer of the Administrative Borrower; and

(d) If, at any time after the Effective Date, the Administrative Borrower, any Restricted Subsidiary of the Administrative Borrower or any ERISA Affiliate maintains, or contributes to (or incurs an obligation to contribute to), a Plan or Multiemployer Plan which is not set forth in Schedule 7.10, then the Administrative Borrower shall deliver to the Administrative Agent an updated Schedule 7.10 as soon as practicable, and in any event within thirty (30) days after the Administrative Borrower, such Subsidiary or such ERISA Affiliate maintains, or contributes to (or incurs an obligation to contribute to), thereto.

8.08. End of Fiscal Years; Fiscal Quarters. The Administrative Borrower will cause (i) its and each of its Restricted Subsidiaries' Fiscal Years to end on December 31 of each calendar year and (ii) its and each of its Restricted Subsidiaries' Fiscal Quarters to end on the last day of each period described in the definition of "Fiscal Quarter", unless, in each case, as otherwise agreed by the Administrative Agent in its Permitted Discretion.

8.09. Payment of Taxes. The Borrowers will pay and discharge, and will cause each of their respective Subsidiaries to pay and discharge, all Taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or upon any properties belonging to it, prior to the date on which penalties attach thereto, and all lawful claims which, if unpaid, might become a Lien or charge upon any properties of the Administrative Borrower or any of its Subsidiaries not otherwise permitted under Section 9.01(i); provided, that neither the Administrative Borrower nor any of its Subsidiaries shall be required to pay any such Tax, assessment, charge, levy or claim (i) which is being contested in good faith

and by proper proceedings if it has maintained adequate reserves with respect thereto in accordance with GAAP or (ii) to the extent the failure to pay such Tax, assessment, charge, levy or claim would not reasonably be expected to result in a Material Adverse Effect.

8.10. Use of Proceeds. The Borrowers will use the proceeds of the Loans only as provided in Section 7.08.

8.11. Additional Security; Further Assurances; etc. (a) Subject to the terms and conditions of the Credit Documents, the Administrative Borrower will, and will cause each other Credit Party to, grant to the Collateral Agent for the benefit of the Secured Creditors security interests in such Collateral of the Administrative Borrower and such other Credit Party as are not covered by the original Security Documents (other than Excluded Assets) as may be reasonably requested from time to time by the Administrative Agent or the Required Lenders (collectively, as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Additional Security Documents"). All such security interests (i) shall be granted pursuant to documentation reasonably satisfactory in form and substance to the Collateral Agent and the Administrative Borrower, and (ii) subject to exceptions as are reasonably acceptable to the Administrative Agent, shall constitute valid, enforceable (except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law)) and perfected security interests (if and to the extent the assets subject to the applicable Additional Security Document can be perfected by the actions required by such Additional Security Document) superior to and prior to the rights of all third Persons and subject to no other Liens except for Permitted Liens. The Additional Security Documents or instruments related thereto shall be duly recorded or filed in such manner and in such places as are required by law to establish, perfect (if and to the extent such security interests can be perfected by the filings or other actions required under the Additional Security Documents), preserve and protect the Liens in favor of the Collateral Agent required to be granted pursuant to the Additional Security Documents and all Taxes, fees and other charges payable in connection therewith shall be paid in full.

(b) Subject to the terms and conditions of the Credit Documents, the Administrative Borrower will, and will cause each of the other Credit Parties to, at the reasonable expense of the Borrowers, make, execute, endorse, acknowledge, authorize and/or deliver to the Collateral Agent from time to time such schedules, conveyances, financing statements, transfer endorsements, powers of attorney, certificates, reports, control agreements on deposit accounts (other than Excluded Deposit Accounts (as defined in the Security Agreement)) and other documents, assurances, opinions of counsel or instruments, in each case, solely to the extent required by the Security Documents, and take such further similar steps relating to the Collateral covered by any of the Security Documents as the Collateral Agent may reasonably require in accordance with the Security Documents. Each Credit Party acknowledges that certain transactions contemplated by this Agreement and the other Credit Documents, and certain actions which may be taken by the Administrative Agent, the Collateral Agent or the Lenders in the exercise of their rights and remedies under this Agreement or any other Credit Document, may require the consent of the FCC or any applicable Gaming Authority. If the Administrative Agent reasonably determines that the consent of the FCC or Gaming Authority is required in connection with the execution, delivery or performance of any of the aforesaid documents or any documents delivered to the Administrative Agent, the Collateral Agent or the Lenders in connection therewith or as a result of any action which may be taken or be proposed to be taken pursuant thereto, then each Credit Party, at its sole reasonable cost and expense, shall use its commercially reasonable efforts to secure such prior consent and to cooperate with the Administrative Agent, the Collateral Agent and the Lenders in any such action taken or proposed to be taken by the Administrative Agent, the Collateral Agent or any Lender.

(c) [Reserved].

(d) The Borrowers agree that each action required by clauses (a) through (c) of this Section 8.11 shall be completed within sixty (60) days after such action is requested to be taken by the Administrative Agent or the Required Lenders (as such time may be extended by the Administrative Agent or the Required Lenders in its or their discretion); provided, that in no event shall the Administrative Borrower or any of its Restricted Subsidiaries be required to take any action, other than using its commercially reasonable efforts, to obtain consents from third parties with respect to its compliance with this Section 8.11.

(e) Promptly after any Domestic Restricted Subsidiary of the Administrative Borrower ceases to constitute an Excluded Subsidiary in accordance with the applicable definitions thereof, the Administrative Borrower shall cause such Domestic Restricted Subsidiary to take all actions required as if such Domestic Restricted Subsidiary were then established, created or acquired, including to execute and deliver, or cause to be executed and delivered, all other relevant documentation of the type described in Sections 5.02, 5.03 (if reasonably requested by the Administrative Agent in writing), 5.04, 5.10, 5.11, 5.12 and 5.13 as such new Restricted Subsidiary would have had to deliver if such new Restricted Subsidiary were a Credit Party on the Effective Date.

(f) In the event (A) new Unrestricted Subsidiaries are established or created, or the Administrative Borrower or any of its Wholly-Owned Restricted Subsidiaries acquires Equity Interests in an Unrestricted Subsidiary (i) all Investments by the Administrative Borrower and its Restricted Subsidiaries in such Unrestricted Subsidiary shall be permitted pursuant to Section 9.05 and (ii) all requirements of the definition of Unrestricted Subsidiary and Section 8.14 shall have been satisfied, and (B) subject to the terms of the Revolver Intercreditor Agreement, the Administrative Borrower and its Wholly-Owned Restricted Subsidiaries establish, create and, to the extent permitted by this Agreement, acquire Wholly-Owned Restricted Subsidiaries (other than any Excluded Subsidiary) (i) the Equity Interests (other than any Excluded Equity Interests) of such new Wholly-Owned Restricted Subsidiary shall be promptly pledged pursuant to, and to the extent required by, this Agreement and the Pledge Agreement and the certificates, if any, representing such Equity Interests (other than any Excluded Equity Interests), together with stock or other appropriate powers duly executed in blank, shall be delivered to the Collateral Agent (or its bailee) as, and to the extent required by, the Pledge Agreement, (ii) each such new Wholly-Owned Domestic Restricted Subsidiary (other than any Excluded Subsidiary) shall execute a counterpart of the Guaranty, the Security Agreement and the Pledge Agreement and (iii) each such new Wholly-Owned Domestic Restricted Subsidiary (other than any Excluded Subsidiary) shall take all actions required pursuant to this Section 8.11.

8.12. [Intentionally Omitted].

8.13. [Intentionally Omitted].

8.14. Designation of Subsidiaries. The board of directors of the Administrative Borrower may at any time designate any Restricted Subsidiary as an Unrestricted Subsidiary or any Unrestricted Subsidiary as a Restricted Subsidiary (any such designation, a "Subsidiary Designation"); provided, that:

(i) immediately after such designation, no Event of Default shall have occurred and be continuing;

(ii) no Restricted Subsidiary may be designated as an Unrestricted Subsidiary if it is a "restricted subsidiary" immediately after giving effect to any such designation hereunder for purposes of the Parity Lien Documents, the Permitted Subordinated Debt Documents, the Permitted Unsecured Debt Documents or the Junior Lien Documents or any Permitted Refinancing Debt Documents in respect of the foregoing;

(iii) in the case of a designation of a Restricted Subsidiary as an Unrestricted Subsidiary, (1) such Subsidiary to be so designated shall satisfy all of the requirements of an "Unrestricted Subsidiary" as set forth in the definition thereof, and (2) the Investment resulting from the designation of such Subsidiary as an Unrestricted Subsidiary as provided in the following sentence is permitted by Section 9.05; provided, that foregoing clauses (1) and (2) shall not be applicable in the case of a "deemed designation" as provided in clause (ii) of the proviso appearing in the definition of "Unrestricted Subsidiary";

(iv) in the case of a designation of an Unrestricted Subsidiary as a Restricted Subsidiary, (1) all actions which would be required to be taken pursuant to Section 8.11 in connection with the establishment, creation or acquisition of a new Restricted Subsidiary are taken, or will be taken, as required by Section 8.11, and (2) the Indebtedness and Liens of such Subsidiary resulting from the designation of such Subsidiary as a Restricted Subsidiary are permitted under Section 9.04 or 9.01, as applicable; and

(v) the Administrative Borrower shall have delivered to the Administrative Agent an officer's certificate executed by an Authorized Officer of the Administrative Borrower, certifying to such officer's knowledge, compliance with the requirements of preceding clauses (i) through (iv).

The designation of any Restricted Subsidiary as an Unrestricted Subsidiary shall constitute an Investment by the Administrative Borrower therein at the date of designation in an amount equal to the Fair Market Value of all outstanding Investments owned by the Administrative Borrower and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary. The designation of any Unrestricted Subsidiary as a Restricted Subsidiary shall constitute the incurrence by a Restricted Subsidiary at the time of designation of any Indebtedness or Liens of such Subsidiary existing at such time.

8.15. Richmond Project; Segregated Accounts. (a) Notwithstanding anything herein to the contrary, to the extent that the Administrative Borrower and its Subsidiaries proceed with the Richmond Project, the Administrative Borrower and its Subsidiaries shall consummate the Richmond Project, whether structured as an Asset Sale, an Investment or otherwise, in each case, to the extent permitted hereunder, through an Unrestricted Subsidiary (including RVA Entertainment Holdings LLC).

(b) The Administrative Borrower will, and will cause each of its Restricted Subsidiaries to, maintain separate bank accounts and treasury accounts from the bank accounts and treasury accounts of any Unrestricted Subsidiary through which the Richmond Project is consummated. No bank account or treasury account (or the funds therein) of any Unrestricted Subsidiary through which the Richmond Project is consummated shall be commingled with any bank account or treasury account (or the funds therein) of the Administrative Borrower or any of its Restricted Subsidiaries.

#### SECTION 9. Negative Covenants

The Borrowers hereby covenant and agree that on and after the Effective Date and until the Total Commitment has terminated and the Loans, Fees and all other Obligations (other than any indemnities described in Section 12.13 and reimbursement obligations under Section 12.01 which, in either case, are not then due and payable) incurred hereunder and thereunder, are paid in full:

9.01. Liens. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, create, incur, assume or suffer to exist any Lien upon or with respect to any property or assets of any Borrower or any of its Restricted Subsidiaries, whether now owned or hereafter acquired; provided, that the provisions of this Section 9.01 shall not prevent the creation, incurrence, assumption or existence of the following (Liens described below are herein referred to as "Permitted Liens"):

(i) Liens for Taxes, assessments or governmental charges or levies that are not overdue for a period of more than 60 days or the validity of which are being contested in good faith and by appropriate proceedings, diligently conducted and which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien, and for which adequate reserves have been established to the extent required by GAAP as in effect at such time;

(ii) Liens in respect of property or assets of the Administrative Borrower or any of its Restricted Subsidiaries imposed by law, which were incurred in the ordinary course of business for sums not yet due or the validity of which are being contested in good faith by appropriate proceedings, promptly instituted and diligently conducted and which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien, and for which adequate reserves have been established to the extent required by GAAP, including Liens such as carriers', warehousemen's, materialmen's, contractors' and mechanics' liens and other similar Liens arising in the ordinary course of business;

(iii) Liens in existence on the Effective Date which are listed, and the property subject thereto described, in Schedule 9.01, plus renewals, replacements and extensions of such Liens; provided, that (x) the aggregate principal amount of the Indebtedness, if any, secured by such Liens does not increase from that amount outstanding at the time of any such renewal, replacement or extension, plus accrued and unpaid interest and cash fees and expenses (including premium) incurred in connection with such renewal, replacement or extension and (y) any such renewal, replacement or extension does not encumber any additional assets or properties (other than the proceeds and products thereof and accessions thereto) of the Administrative Borrower or any of its Restricted Subsidiaries, unless such Lien is otherwise permitted under separate provisions of this Section 9.01;

(iv) Liens on the Collateral created by or pursuant to this Agreement, the Security Documents and, subject to the Revolver Intercreditor Agreement, the Senior Secured Notes Documents (or any Permitted Refinancing thereof);

(v) (x) licenses, sublicenses, leases or subleases granted by the Administrative Borrower or any of its Restricted Subsidiaries to other Persons entered in the ordinary course of business and not materially interfering with the conduct of the business of the Administrative Borrower and its Restricted Subsidiaries, taken as a whole and (y) any interest or title of a lessor, sublessor or licensor under any lease or license agreement permitted by this Agreement to which the Administrative Borrower or any of its Restricted Subsidiaries is a party;

(vi) Liens upon assets of the Administrative Borrower or any of its Restricted Subsidiaries subject to Capitalized Lease Obligations, mortgage financings or purchase money Indebtedness to the extent such Capitalized Lease Obligations, mortgage financings or purchase money Indebtedness are permitted by Section 9.04(iv); provided, that (x) such Liens only serve to secure the payment of Indebtedness and/or other monetary obligations arising under such Capitalized Lease Obligation, mortgage financing or purchase money Indebtedness and (y) the Lien encumbering the asset or assets giving rise to such Capitalized Lease Obligation, mortgage financing or purchase money Indebtedness does not encumber any other asset of the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower other than the proceeds of such assets giving rise to such Capitalized Lease Obligations, mortgage financing or purchase money Indebtedness; provided, however, that individual financings of assets subject to Capitalized Lease Obligations, mortgage financings or purchase money Indebtedness provided by one lender may be cross collateralized to other financings of assets provided by such lender;

(vii) Liens placed upon equipment, machinery or other fixed assets acquired or constructed after the Effective Date and used in the ordinary course of business of the Administrative Borrower or any of its Restricted Subsidiaries and placed at the time of the acquisition or construction thereof by the Administrative Borrower or such Restricted Subsidiary or within one hundred eighty (180) days thereafter to secure Indebtedness incurred to pay all or a portion of the purchase or construction price thereof or to secure Indebtedness incurred solely for the purpose of financing the acquisition or construction of any such equipment, machinery or other fixed assets or extensions, renewals or replacements of any of the foregoing for the same or a lesser amount; provided, that (x) the Indebtedness secured by such Liens is permitted by Section 9.04(iv) and (y) in all events, the Lien encumbering the equipment, machinery or other fixed assets so acquired or constructed does not encumber any other asset of the Administrative Borrower or such Restricted Subsidiary;

(viii) any Lien incurred in the ordinary course of business incidental to the conduct of the business of the Administrative Borrower or the Restricted Subsidiaries or the ownership of their property, including Liens which may arise as a result of zoning, building codes, and other land use laws regulating the use or occupancy of real property or the activities conducted thereon which are imposed by any governmental authority, easements, rights-of-way, restrictions, encroachments, minor survey defects and other similar charges or encumbrances, minor title defects or irregularities affecting Real Property, in each case which do not materially adversely impair the operation of the business of the Administrative Borrower or any of its Restricted Subsidiaries, taken as a whole;

(ix) Liens arising from UCC financing statement filings, including precautionary financing statements (or similar filings), regarding operating leases entered into by the Administrative Borrower and its Restricted Subsidiaries in the ordinary course of business;

(x) Liens securing judgments not constituting an Event of Default;

(xi) statutory and common law landlords' liens under leases to which the Administrative Borrower or any of its Restricted Subsidiaries is a party;

(xii) Liens (other than Liens imposed under ERISA) incurred in the ordinary course of business in connection with workers compensation claims, unemployment insurance and social security benefits and Liens securing the performance of bids, tenders, leases and contracts in the ordinary course of business, statutory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature incurred in the ordinary course of business;

(xiii) [reserved];

(xiv) Liens on property or assets acquired pursuant to a Permitted Acquisition or other permitted Investment, or on property or assets of a Restricted Subsidiary of the Administrative Borrower in existence at the time such Restricted Subsidiary is acquired pursuant to a Permitted Acquisition or other permitted Investment; provided, that such Liens are not incurred in connection with, or in contemplation or anticipation of, such Permitted Acquisition or other Investment and do not attach to any other asset (other than the proceeds and products thereof and accessories thereto) of the Administrative Borrower or any of its Restricted Subsidiaries;

(xv) Liens arising out of any conditional sale, title retention, consignment or other similar arrangements for the sale of goods entered into by the Administrative Borrower or any of its Restricted Subsidiaries in the ordinary course of business to the extent such Liens do not attach to any assets other than the goods subject to such arrangements;

(xvi) Liens (x) incurred in the ordinary course of business in connection with the purchase or shipping of goods or assets (or the related assets and proceeds thereof), which Liens are in favor of the seller or shipper of such goods or assets and only attach to such goods or assets, and (y) in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(xvii) bankers' Liens, rights of setoff, revocation, refund, chargeback and other similar Liens existing solely with respect to cash and Cash Equivalents on deposit in one or more accounts maintained by the Administrative Borrower or any Restricted Subsidiary, in each case granted in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing amounts owing to such bank or banks with respect to cash management, automated clearing house transfers and operating account arrangements, and Liens on Restricted cash or Cash Equivalents;

(xviii) Liens on earnest money deposits of cash or Cash Equivalents made by the Administrative Borrower or its Restricted Subsidiaries in connection with any Permitted Acquisition;

(xix) Liens granted in the ordinary course of business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted under Section 9.04;

(xx) Liens consisting of an agreement to dispose of property permitted by Section 9.02;

(xxi) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance or discharge of Indebtedness; provided that such defeasance or discharge is not prohibited by this Agreement;

(xxii) Liens incurred in the ordinary course of business of the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower with respect to Indebtedness at any one time outstanding that does not exceed \$15,000,000 (including additional Parity Lien Obligations and second priority Liens on Notes Priority Collateral (as defined in the Revolver Intercreditor Agreement));

(xxiii) Liens incurred to secure additional Parity Lien Obligations in respect of any Indebtedness permitted to be incurred pursuant to Section 9.04; provided that, with respect to Liens securing additional Parity Lien Obligations permitted under this clause (xxiii), (a) at the time of incurrence and after giving pro forma effect thereto, the Consolidated Secured Leverage Ratio (as defined in the Senior Secured Notes Indenture as in effect on the date hereof) would be no greater than 4.50 to 1.00 and (b) any such Liens on the ABL Priority Collateral (as defined in the Revolver Intercreditor Agreement) must be secured on a junior lien basis to the Obligations pursuant to the Revolver Intercreditor Agreement and the representative in respect of such obligations must enter into the Revolver Intercreditor Agreement;

(xxiv) any Lien (including put and call arrangements) with respect to Equity Interests of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(xxv) Liens securing Indebtedness and other obligations in an aggregate principal amount not to exceed \$30,000,000; provided that any such Liens on the ABL Priority Collateral (as defined in the Revolver Intercreditor Agreement) must be secured on a junior lien basis to the Obligations pursuant to the Revolver Intercreditor Agreement and the representative in respect of such obligations must enter into the Revolver Intercreditor Agreement;

(xxvi) [reserved];

(xxvii) (x) Liens on cash and Cash Equivalents securing Indebtedness and other obligations in respect of Hedge Agreements or Cash Management Services in an aggregate principal amount not to exceed \$10,000,000 and (y) Liens on cash and Cash Equivalents securing Indebtedness and other obligations in respect of Hedge Agreements or Cash Management Services provided by Wells Fargo Bank, N.A. (or any of its Affiliates) existing on the Effective Date and continuing solely until on or prior to the 180<sup>th</sup> day after the Effective Date;

(xxviii) Liens (a) on Equity Interests or other securities or assets of any Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary and (b) then existing with respect to assets of an Unrestricted Subsidiary on the day such Unrestricted Subsidiary is redesignated as a Restricted Subsidiary as described under Section 8.14 so long as such Liens shall not have been created or incurred in contemplation of such re-designation; and

(xxix) Liens securing Permitted Refinancing Indebtedness incurred to refinance Indebtedness that was previously so secured; provided that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, was required to secure and under the indenture was permitted to secure) the Indebtedness being refinanced.

Notwithstanding anything herein to the contrary, the Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, create, incur, assume or suffer to exist any consensual Lien upon any ABL Priority Collateral (as defined in the Revolver Intercreditor Agreement) except for Liens that are secured on a junior lien basis to the Obligations pursuant to the Revolver Intercreditor Agreement and for which the representative thereof has entered into the Revolver Intercreditor Agreement.

In connection with the granting of Liens of the type described in clauses (iii), (iv), (vi), (vii), (ix), (xiv) and (xxii) of this Section 9.01 by the Administrative Borrower of any of its Restricted Subsidiaries, the Administrative Agent and the Collateral Agent shall be authorized to take any actions deemed appropriate by it in connection therewith (including, without limitation, by executing appropriate lien releases or lien subordination agreements in favor of the holder or holders of such Liens, in either case solely with respect to the item or items of equipment or other assets subject to such Liens).

In the event that a Permitted Lien meets the criteria of more than one of the types of Permitted Liens (at the time of incurrence or at a later date), the Administrative Borrower in its sole discretion may divide, classify or from time to time reclassify all or any portion of such Permitted Lien in any manner that complies with this Agreement and such Permitted Lien shall be treated as having been made pursuant only to the clause or clauses of this Section 9.01 to which such Permitted Lien has been classified or reclassified.

9.02. Consolidation, Merger, Sale of Assets, etc. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, wind up, liquidate or dissolve its affairs or enter into any partnership or merge or consolidate, or make any Asset Sale (other than sales of air-time advertisements and similar promotional activities in the ordinary course of business), or sell, convey or transfer or lease all or substantially all of its assets (determined on a consolidated basis for the Administrative Borrower and its Restricted Subsidiaries) or enter into any sale-leaseback transactions; except, that:

(i) the Administrative Borrower and its Restricted Subsidiaries may effect Dividends permitted under Section 9.03 and Debt Repurchases permitted under Section 9.09;

(ii) the Administrative Borrower and its Restricted Subsidiaries may liquidate or otherwise dispose of obsolete, surplus or worn-out equipment or other assets or equipment or other assets



that are no longer useful in the conduct of the business of the Administrative Borrower and its Restricted Subsidiaries;

(iii) the Administrative Borrower and its Restricted Subsidiaries may grant Liens in their property and assets to the extent permitted under Section 9.01;

(iv) the Administrative Borrower and its Restricted Subsidiaries may sell assets (other than assets included in the Borrowing Base (only to the extent that Availability is less than \$5,000,000)), so long as (v) no Event of Default then exists or would result therefrom, (w) the Administrative Borrower or such Restricted Subsidiary, as the case may be, receives consideration (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise) at least equal to the Fair Market Value (such Fair Market Value to be determined on the date of contractually agreeing to such Asset Sale), as determined in good faith by the board of directors of the Administrative Borrower, of the shares and assets subject to such Asset Sale (including, for the avoidance of doubt, if such Asset Sale is a Permitted Asset Swap), (x) in any such Asset Sale, or series of related Asset Sales (except to the extent the Asset Sale is a Permitted Asset Swap), at least 75% of the consideration from such Asset Sale (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise) received by the Administrative Borrower or such Restricted Subsidiary, as the case may be, is in the form of cash or Cash Equivalents, and (y) an amount equal to 100% of the Net Available Cash from such Asset Sale is applied by the Administrative Borrower or such Restricted Subsidiary, as the case may be, as required by the Senior Secured Notes Indenture and (z) with respect to any Asset Sale or series of related Asset Sales involving assets in an aggregate Fair Market Value of equal to or in excess of \$3,000,000 and constituting part of the Borrowing Base, the Administrative Borrower delivers, within three (3) Business Days after such Asset Sale, an updated executed Borrowing Base Certificate to the Administrative Agent giving pro forma effect to such Asset Sale or series of related Asset Sales;

(v) each of the Administrative Borrower and its Restricted Subsidiaries may lease (as lessee) or license (as licensee) real or personal property (so long as any such lease or license does not create a Capitalized Lease Obligation except to the extent otherwise permitted by Section 9.04);

(vi) each of the Administrative Borrower and its Restricted Subsidiaries may sell or discount, (with or without recourse, and on customary or commercially reasonable terms and for credit management purposes) accounts receivable or notes receivable in the ordinary course of business, or the conversion or exchange of accounts receivable for notes receivable;

(vii) each of the Administrative Borrower and its Restricted Subsidiaries may grant licenses or sub-licenses of intellectual property or other general intangibles and licenses, sublicenses, leases or subleases of other property, in each case, in the ordinary course of business;

(viii) the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower may convey, sell or otherwise transfer all or any part of its business, properties and assets to the Administrative Borrower or to any other Restricted Subsidiary of the Administrative Borrower which is a Credit Party, so long as any security interests granted to the Collateral Agent for the benefit of the Secured Creditors pursuant to the Security Documents in the assets so transferred shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such transfer) and all actions required to maintain said perfected status have been taken;

(ix) (a) the Administrative Borrower may consolidate with or merge with or into, any Person so long as (1) the resulting, surviving or transferee Person (the "Successor Company") will be a Person organized and existing under the laws of the United States of America, any State of the United

States or the District of Columbia (provided that where the continuing Person is not a corporation, a co-obligor of the Loans is a corporation that is a Wholly Owned Restricted Subsidiary) and the Successor Company (if not the Administrative Borrower) will expressly assume, by supplement or other joinder agreement, as applicable, executed and delivered to the Administrative Agent and Collateral Agent, all the obligations of the Administrative Borrower under this Agreement and the Security Documents, (2) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Successor Company or any Subsidiary of the Successor Company as a result of such transaction as having been incurred by the Successor Company or such Subsidiary at the time of such transaction), no Event of Default shall have occurred and be continuing, (3) immediately after giving effect to such transaction, either (i) the Successor Company would be able to incur at least an additional \$1.00 of Ratio Debt or (ii) the Leverage Ratio (as defined in the Senior Secured Notes Indenture as in effect on the date hereof) would not be greater than it was immediately prior to giving effect to such transaction, and (4) the Administrative Borrower shall have delivered to the Administrative Agent an officer's certificate and a customary opinion of counsel; (b) any Restricted Subsidiary of the Administrative Borrower may merge or consolidate with and into, or be dissolved or liquidated into, or transfer any of its assets to, the Administrative Borrower or any other Restricted Subsidiary, so long as (i) in the case of any such merger, consolidation, dissolution or liquidation involving the Administrative Borrower, the Administrative Borrower is the surviving or continuing entity of any such merger, consolidation, dissolution or liquidation, (ii) in the case of any such merger, consolidation, dissolution or liquidation involving a Borrower other than the Administrative Borrower, a Borrower is the surviving or continuing entity of any such merger, consolidation, dissolution or liquidation, (iii) in the case of any such merger, consolidation, dissolution or liquidation involving a Subsidiary Guarantor, a Borrower or another Subsidiary Guarantor is the surviving or continuing entity of any such merger, consolidation, dissolution or liquidation, and (iv) any security interests granted to the Collateral Agent for the benefit of the Secured Creditors pursuant to the Security Documents in the assets of such Restricted Subsidiary shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such merger, consolidation, dissolution or liquidation) and all actions required to maintain said perfected status have been taken; (c) any Borrower may consolidate or otherwise combine with or merge into an Affiliate incorporated or organized for the purpose of changing the legal domicile of such Borrower, reincorporating such Borrower in another jurisdiction, or changing the legal form of such Borrower so long as the surviving person will be a Person organized and existing under the laws of the United States of America, any State of the United States or the District of Columbia (provided that where the continuing Person is not a corporation, a co-obligor of the Loans is a corporation that is a Wholly Owned Restricted Subsidiary) and the surviving person (if not such Borrower) will expressly assume, by supplement or other joinder agreement, as applicable, executed and delivered to the Administrative Agent and Collateral Agent, all the obligations of such Borrower under this Agreement and the Security Documents, (2) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the surviving person or any Subsidiary of the surviving person as a result of such transaction as having been incurred by the surviving person or such Subsidiary at the time of such transaction), no Event of Default shall have occurred and be continuing, (3) immediately after giving effect to such transaction, either (i) the surviving person would be able to incur at least an additional \$1.00 of Ratio Debt or (ii) the Leverage Ratio (as defined in the Senior Secured Notes Indenture as in effect on the date hereof) would not be greater than it was immediately prior to giving effect to such transaction, and (4) the Administrative Borrower shall have delivered to the Administrative Agent an officer's certificate and a customary opinion of counsel; and (d) any Subsidiary Guarantor may consolidate with or merge with or into any Person or permit any Person to merge with or into the Subsidiary Guarantor, and any Subsidiary Guarantor may sell, convey, transfer, lease or dispose of, all or substantially all its assets, in one transaction or a series of related transaction to any Person, in each case, so long as (i) the other Person is a Borrower or any Restricted Subsidiary that is Subsidiary Guarantor or becomes a Subsidiary Guarantor concurrently with the transaction, or (ii) (1) either (x) a Subsidiary Guarantor is the continuing Person or (y) the resulting, surviving or transferee Person expressly assumes all of the obligations of the Subsidiary Guarantor under its Guaranty and the Security Documents and (2)

immediately after giving effect to the transaction, no Default has occurred and is continuing; or (iii) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of the Subsidiary Guarantor or the sale or disposition of all or substantially all the assets of the Subsidiary Guarantor (in each case other than to a Borrower or a Restricted Subsidiary) otherwise permitted by this Agreement;

(x) any Foreign Restricted Subsidiary of the Administrative Borrower may be merged, consolidated or amalgamated with and into, or be dissolved or liquidated into, or transfer any of its assets to, any Wholly-Owned Foreign Restricted Subsidiary of the Administrative Borrower, so long as (i) such Wholly-Owned Foreign Restricted Subsidiary of the Administrative Borrower is the surviving or continuing entity of any such merger, consolidation, amalgamation, dissolution or liquidation and (ii) any security interests granted to the Collateral Agent for the benefit of the Secured Creditors pursuant to the Security Documents in the Equity Interests of such Wholly-Owned Foreign Restricted Subsidiary and such Foreign Restricted Subsidiary shall remain in full force and effect and perfected and enforceable (to at least the same extent as in effect immediately prior to such merger, consolidation, amalgamation, dissolution, liquidation or transfer) and all actions required to maintain said perfected status have been taken;

(xi) to the extent constituting an Investment, any conveyance, sale, lease or other disposition (other than by way of merger or consolidation) by the Administrative Borrower or any of its Restricted Subsidiaries permitted by Section 9.05;

(xii) the Administrative Borrower and its Restricted Subsidiaries may liquidate or otherwise dispose of cash and Cash Equivalents in the ordinary course of business;

(xiii) so long as no Event of Default exists or would result therefrom, (x) any Restricted Subsidiary may merge or consolidate with any other Person in order to effect an Investment permitted pursuant to Section 9.05; provided, that the continuing or surviving Person shall be a Restricted Subsidiary, which together with each of its Restricted Subsidiaries, shall have complied with the requirements of Section 8.11, to the extent applicable and (y) any Permitted Acquisition may be consummated in accordance with the requirements of Section 9.05(xii) or Section 9.05(xvii), as applicable;

(xiv) [reserved];

(xv) subject to compliance with Section 8.11 hereof with respect to any assets (other than Collateral constituting ABL Priority Collateral (as defined in the Revolver Intercreditor Agreement) acquired in connection therewith, Permitted Asset Swaps made in accordance with the requirements of the definition thereof, so long as (x) the Fair Market Value of any property or assets received in connection therewith is at least equal to the Fair Market Value of the property or assets so transferred, (y) each such Permitted Asset Swap is effected in connection with an Investment permitted by Section 9.05, and (z) to the extent applicable, any "boot" or other assets received by the Administrative Borrower or any Restricted Subsidiary complies with the requirements of clause (y) above;

(xvi) the Administrative Borrower and its Restricted Subsidiaries may from time to time sell or otherwise dispose of Equity Interests, Indebtedness or other securities of an Unrestricted Subsidiary;

(xvii) the Administrative Borrower and its Restricted Subsidiaries may (v) cancel, abandon, sell, assign, transfer or otherwise dispose of intellectual property rights that, in each case, (i) the Administrative Borrower or any Restricted Subsidiary decides in its reasonable business judgment to no longer use or (ii) are, in the Administrative Borrower's or any Restricted Subsidiary's reasonable business judgment, no longer material to, or no longer used or useful in its business, and (w) permit

intellectual property rights to expire in accordance with their statutory terms (except to the extent such terms may be extended or renewed);

(xviii) the Administrative Borrower and its Restricted Subsidiaries may terminate or unwind any Interest Rate Protection Agreement or other Hedge Agreement in accordance with its terms;

(xix) the Administrative Borrower and its Restricted Subsidiaries may dispose of property and assets to the extent they were the subject to casualty or condemnation proceedings upon the occurrence of the related Recovery Event;

(xx) the Administrative Borrower and its Restricted Subsidiaries may from time to time after the Effective Date effect Designated Sales; and

(xxi) the Administrative Borrower and its Restricted Subsidiaries may effect dispositions set forth on Schedule 9.02.

For purposes of Section 9.02(iv), the following will be deemed to be cash: (i) the assumption by the transferee of Indebtedness or other liabilities of the Administrative Borrower or a Restricted Subsidiary (other than Subordinated Indebtedness of a Borrower or a Subsidiary Guarantor) and the release of the Administrative Borrower or such Restricted Subsidiary from all liability on such Indebtedness or other liability in connection with such Asset Sale; (ii) securities, notes or other obligations received by the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower from the transferee that are converted by the Administrative Borrower or such Restricted Subsidiary into cash or Cash Equivalents within 180 days following the closing of such Asset Sale; (iii) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, to the extent that the Administrative Borrower and each other Restricted Subsidiary are released from any guarantee of payment of such Indebtedness in connection with such Asset Sale; (iv) consideration consisting of Indebtedness of a Borrower (other than Subordinated Indebtedness) received after the Effective Date from Persons who are not a Borrower or any Restricted Subsidiary; and (v) any Designated Non-Cash Consideration received by the Administrative Borrower or any Restricted Subsidiary in such Asset Sale having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to Section 9.02(iv) that is at that time outstanding, not to exceed \$30,000,000 (with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value).

To the extent the Required Lenders waive the provisions of this Section 9.02 with respect to the sale of any Collateral, or any Collateral is sold as permitted by this Section 9.02 (other than to the Administrative Borrower or a Restricted Subsidiary thereof), such Collateral shall be sold free and clear of the Liens created by the Security Documents, and the Administrative Agent and the Collateral Agent shall be authorized to take any actions deemed appropriate in order to effect and/or evidence the foregoing.

9.03. Dividends. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, authorize, declare or pay any Dividends with respect to the Borrowers or any of their respective Restricted Subsidiaries; except, that:

(i) (A) any Restricted Subsidiary of the Administrative Borrower may pay cash Dividends to the Administrative Borrower or to any Wholly-Owned Domestic Restricted Subsidiary of the Administrative Borrower, (B) any Foreign Restricted Subsidiary of the Administrative Borrower may pay cash Dividends to any Wholly-Owned Foreign Restricted Subsidiary of the Administrative Borrower, (C) any Restricted Subsidiary of the Administrative Borrower may pay Dividends to the Administrative Borrower or to any Wholly-Owned Domestic Restricted Subsidiary and (D) any Foreign Restricted

Subsidiary of the Administrative Borrower may pay Dividends to any Wholly-Owned Foreign Restricted Subsidiary;

(ii) any Non-Wholly-Owned Restricted Subsidiary of the Administrative Borrower may pay Dividends to its shareholders, members or partners generally, so long as the Administrative Borrower or its respective Restricted Subsidiary which owns the Equity Interest in the Restricted Subsidiary paying such Dividends receives at least its proportionate share thereof (based upon its relative holding of the Equity Interest in the Restricted Subsidiary paying such Dividends and taking into account the relative preferences, if any, of the various classes of Equity Interests of such Restricted Subsidiary);

(iii) the Administrative Borrower may acquire Equity Interests in connection with the exercise of stock options, warrants or other convertible or exchangeable securities to the extent such Equity Interests represent a portion of the exercise price of those stock options, warrants or other convertible or exchangeable securities by way of cashless exercise;

(iv) the Administrative Borrower may retire any shares of Disqualified Preferred Stock by conversion into, or by exchange for, shares of Disqualified Preferred Stock, or out of the net cash proceeds of the substantially concurrent sale (other than to a Restricted Subsidiary of the Administrative Borrower) of other shares of Disqualified Preferred Stock; provided, that such Disqualified Preferred Stock shall not require the direct or indirect payment of the liquidation preference earlier in time than the final stated maturity of such retired shares of Disqualified Preferred Stock;

(v) the Administrative Borrower and its Restricted Subsidiaries may make cash payments in lieu of the issuance of fractional shares of Equity Interests in connection with any transaction permitted under this Agreement;

(vi) the Administrative Borrower may pay Dividends on its Qualified Preferred Stock pursuant to the terms thereof through the issuance of additional shares of such Qualified Preferred Stock; provided, that in lieu of issuing additional shares of such Qualified Preferred Stock as Dividends, the Administrative Borrower may increase the liquidation preference of the shares of Qualified Preferred Stock in respect of which such Dividends have accrued;

(vii) [reserved];

(viii) [reserved];

(ix) the Administrative Borrower may declare and pay Dividends or otherwise redeem, repurchase or otherwise acquire for value, outstanding shares of the Administrative Borrower's Equity Interests (or options or warrants to purchase Borrower Common Stock) (x) in exchange for, or out of the Net Cash Proceeds of the substantially concurrent sale or issuance (other than to a Subsidiary of the Administrative Borrower) of, Equity Interests of the Administrative Borrower (other than Disqualified Preferred Stock and Designated Preferred Stock) or (y) from the Net Cash Proceeds of the substantially concurrent cash contribution to the common equity capital of the Administrative Borrower;

(x) the Administrative Borrower may declare and pay Dividends or other payments or distributions on account of the Administrative Borrower's Equity Interests (including, without limitation, any payment in connection with any merger or consolidation involving the Administrative Borrower) or redeem, repurchase, retire, defease or otherwise acquire any Equity Interests of the Administrative Borrower in connection with a substantially concurrent Going Private Transaction (i) out of the Net Cash Proceeds of the substantially concurrent sale (other than to a Subsidiary of the Administrative

Borrower) of, Equity Interests of the Administrative Borrower (other than Disqualified Preferred Stock and Designated Preferred Stock) or (ii) from the Net Cash Proceeds of substantially concurrent cash contribution to the common equity capital of the Administrative Borrower;

(xi) the Administrative Borrower may declare and pay Dividends or otherwise redeem, repurchase or otherwise acquire for value in cash, outstanding shares of the Administrative Borrower's Equity Interests (or options or warrants to purchase Borrower Common Stock) not otherwise permitted pursuant to this Section 9.03; provided, that each of the Payment Conditions is satisfied;

(xii) the Administrative Borrower may redeem, repurchase or otherwise acquire for value in cash, outstanding shares of the Administrative Borrower's or Subsidiaries' Equity Interests (or options or warrants to purchase Borrower Common Stock) held by any future, present or former employee, director or consultant of the Administrative Borrower or any of its Subsidiaries (or permitted transferees, assigns, estates, trusts or heirs of such employee, director or consultant) either pursuant to any management equity plan or stock option plan or any other management or employee benefit plan or agreement or upon the termination of such employee, director or consultant's employment or directorship; provided, however, that the aggregate the aggregate amount of all payments, redemptions or repurchases permitted under this clause (xii) do not exceed \$5,000,000 in any calendar year (with unused amounts in any calendar year being carried over to succeeding calendar years subject to a maximum of \$10,000,000 in any calendar year); provided, further, that such amount in any calendar year may be increased by an amount not to exceed:

(A) the cash proceeds from the sale or issuance of Borrower Common Stock or Qualified Preferred Stock (other than Designated Preferred Stock) to members of management, directors or consultants of the Administrative Borrower or any of its Subsidiaries that occurred after the Effective Date, to the extent the cash proceeds from such sale or issuance have not otherwise been applied to payments under Section 9.03(ix); plus

(B) the cash proceeds of key man life insurance policies received by the Administrative Borrower and its Restricted Subsidiaries after the Effective Date; less

(C) the amount of any payments made in previous calendar years pursuant to clauses (A) and (B) of this clause;

and provided, further, that (i) cancellation of Indebtedness owing to the Administrative Borrower or any Restricted Subsidiary from members of management, directors, employees or consultants of the Administrative Borrower or its Restricted Subsidiaries in connection with a repurchase of Equity Interests of the Administrative Borrower and (ii) the purchases, repurchases, redemptions, defeasances or other acquisitions or retirements of Equity Interests deemed to occur upon the exercise, conversion or exchange of stock options, warrants, equity-based awards or other rights in respect thereof or similar instruments if such Equity Interests represents all or a portion of the exercise price thereof and payments, in lieu of the issuance of fractional shares of such Equity Interests or withholding to pay withholding or similar taxes payable in connection therewith, in the case of each of clauses (i) and (ii), will not be deemed to constitute a Dividend for purposes of this Section 9.03 or any other provision of this Agreement;

(xiii) the Administrative Borrower may pay cash Dividends on its Equity Interests or otherwise redeem, repurchase or otherwise acquire for value in cash, outstanding shares of the Administrative Borrower's Equity Interests (or options or warrants to purchase the Administrative Borrower Common Stock) in an aggregate amount equal to the amount of Excluded Contributions received by the Administrative Borrower no earlier than one hundred and eighty days (180) days prior to the payment

of such Dividend and so long as the amount of such Excluded Contribution has not been otherwise applied under this Section 9.03(xiii) or under Section 9.09(iv)(F);

(xiv) [reserved];

(xv) (a) purchases, repurchases, redemptions, defeasances or other acquisitions or retirements of Equity Interests (i) deemed to occur upon the exercise of stock options, warrants or other rights in respect thereof if such Equity Interests represents a portion of the exercise price thereof (ii) in lieu of fractional shares of Equity Interests in connection with any stock split, reverse stock split, stock division or stock combination and (b) payments or distributions to dissenting stockholders pursuant to applicable law (including in connection with, or as a result of, exercise of dissenters' or appraisal rights and the settlement of any claims or action (whether actual, contingent or potential)), pursuant to or in connection with a merger, amalgamation, consolidation or transfer of assets that complies with Section 9.02;

(xvi) distributions, by Dividend or otherwise, or other transfer or disposition of Equity Interests of, or Equity Interests in, or Indebtedness owed to the Administrative Borrower or a Restricted Subsidiary by, Unrestricted Subsidiaries (unless the Unrestricted Subsidiary's principal asset is cash and Cash Equivalents);

(xvii) so long as no Event of Default has occurred and is continuing (or would result from), Dividends in an aggregate amount outstanding at the time made not to exceed, together with any Debt Repurchases made in reliance of Section 9.04(iv)(G), \$15,000,000; and

(xviii) any payments in connection with the Transactions and the costs, fees, expenses and charges (including all legal, accounting and other professional fees, rating agency fees, deferred finance costs) related thereto.

9.04. Indebtedness. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, contract, create, incur, assume or suffer to exist any Indebtedness, except:

(i) Indebtedness incurred pursuant to this Agreement and the other Credit Documents;

(ii) Scheduled Existing Indebtedness outstanding on the Effective Date and listed on Schedule 9.04 (as reduced by any repayments of principal thereof other than with the proceeds of Permitted Refinancing Indebtedness), without giving effect to any subsequent extension, renewal or refinancing thereof except through one or more issuances of Permitted Refinancing Indebtedness in respect thereof;

(iii) Indebtedness of the Administrative Borrower under (x) Interest Rate Protection Agreements entered into with respect to other Indebtedness permitted under this Section 9.04 and (y) other Hedge Agreements entered into in the ordinary course of business and providing protection to the Administrative Borrower and its Restricted Subsidiaries against fluctuations in currency values in connection with the Administrative Borrower's or any of its Restricted Subsidiaries' operations, in either case so long as the entering into of such Interest Rate Protection Agreements or other Hedge Agreements are *bona fide* hedging activities and are not for speculative purposes;

(iv) Indebtedness of the Administrative Borrower and its Restricted Subsidiaries evidenced by Capitalized Lease Obligations, mortgage financings and purchase money Indebtedness described in Sections 9.01(vi) and (vii); provided, that in no event shall the sum of the aggregate principal amount of all Capitalized Lease Obligations, mortgage financings and purchase money

Indebtedness permitted by this clause (iv), together with any Permitted Refinancing Indebtedness in respect thereof, exceed \$20,000,000 at any one time outstanding;

(v) Indebtedness constituting Intercompany Loans to the extent permitted by Section 9.05(viii) or other Intercompany Debt otherwise permitted by Section 9.05; provided, however, that (x) any subsequent issuance or transfer of Equity Interests or any other event which results in any such Indebtedness being beneficially held by a Person other than the Administrative Borrower or a Restricted Subsidiary of the Administrative Borrower, and (y) any sale or other transfer of any such Indebtedness to a Person other than the Administrative Borrower or a Restricted Subsidiary of the Administrative Borrower, shall be deemed, in each case, to constitute an incurrence of such Indebtedness by the Administrative Borrower or such Restricted Subsidiary, as the case may be;

(vi) Indebtedness consisting of guaranties (x) by a Borrower and any Subsidiary Guarantor of each other's Indebtedness and lease and other contractual obligations not restricted by the terms of this Agreement, (y) by Foreign Restricted Subsidiaries of the Administrative Borrower of each other's Indebtedness and lease and other contractual obligations not restricted by the terms of this Agreement, or (z) by Restricted Subsidiaries who are not Credit Parties of each other's Indebtedness and lease and other contractual obligations not restricted by the terms of this Agreement;

(vii) Indebtedness of (x) the Administrative Borrower or a Restricted Subsidiary of the Administrative Borrower assumed or acquired pursuant to a Permitted Acquisition or other permitted Investment or (y) Persons that are acquired by the Administrative Borrower or any Restricted Subsidiary or merged into or consolidated with the Administrative Borrower or a Restricted Subsidiary in accordance with this Agreement (or Indebtedness assumed at the time of a Permitted Acquisition or other permitted Investment of an asset securing such Indebtedness) (any such Indebtedness, "Permitted Acquired Debt") and Permitted Refinancing Indebtedness in respect thereof; provided, that (x) such Indebtedness was not incurred in connection with, or in anticipation or contemplation of, such Permitted Acquisition or other permitted Investment and (y) each of the Payment Conditions is satisfied;

(viii) Indebtedness arising from customary credit card processing services, debit cards, stored value cards, purchase cards (including so-called "procurement cards" or "P-cards"), Cash Management Services, netting arrangements, automated clearing house transfers, or the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business, so long as such Indebtedness is extinguished within five (5) Business Days of its incurrence;

(ix) Indebtedness of the Administrative Borrower and its Restricted Subsidiaries with respect to workers' compensation claims, health, disability or other employee benefits, property, casualty or liability insurance, self-insurance obligations, customer guarantees, performance, indemnity, surety, judgment, appeal, advance payment, customs, value added or other tax or other guarantees or other similar bonds, instruments or obligations and completion guarantees and warranties provided by the Administrative Borrower or a Restricted Subsidiary or relating to liabilities, obligations or guarantees incurred in the ordinary course of business;

(x) Indebtedness evidenced by the Existing Letters of Credit and other letters of credit and the Administrative Borrower's continuing reimbursement obligations in respect thereof in an aggregate amount not to exceed \$5,000,000 at any one time outstanding;

(xi) Indebtedness of the Administrative Borrower and its Restricted Subsidiaries with respect to customer deposits and advance payments received in the ordinary course of business from customers for goods or services purchased in the ordinary course of business and letters of



credit, bankers' acceptances, guarantees or other similar instruments or obligations issued or relating to liabilities or obligations incurred in the ordinary course of business;

(xii) Indebtedness arising from agreements providing for guarantees, indemnification, obligations in respect of earn-outs or other adjustments of purchase price or, in each case, similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Equity Interests of a Subsidiary (other than guarantees of Indebtedness incurred by any Person acquiring or disposing of such business or assets or such Subsidiary for the purpose of financing such acquisition or disposition); provided that the maximum liability of the Administrative Borrower and its Restricted Subsidiaries in respect of all such Indebtedness in connection with an Asset Sale or other permitted disposition shall at no time exceed the gross proceeds, including the Fair Market Value of non-cash proceeds (measured at the time received and without giving effect to any subsequent changes in value), actually received by the Administrative Borrower and its Restricted Subsidiaries in connection with such Asset Sale or disposition;

(xiii) Indebtedness of any Restricted Subsidiary that is not a Credit Party; provided, that the aggregate amount of Indebtedness outstanding at any time pursuant to this clause (xiii) shall not exceed \$5,000,000;

(xiv) Permitted Unsecured Debt and guaranties thereof by the Credit Parties; provided, that each of the Payment Conditions is satisfied;

(xv) Indebtedness of the Administrative Borrower and guaranties thereof by the other Credit Parties, subject to the terms of the Revolver Intercreditor Agreement, under the Senior Secured Notes Indenture and the other Senior Secured Notes Documents in an aggregate principal amount not to exceed \$825,000,000 (less the amount of any repayments of principal thereof made after the Effective Date) and Permitted Refinancing Indebtedness in respect thereof;

(xvi) Permitted Subordinated Debt and guaranties thereof by the Credit Parties; provided, that each of the Payment Conditions is satisfied;

(xvii) Permitted Refinancing Indebtedness incurred in respect of (and to refinance) Indebtedness theretofore outstanding (and permitted to be outstanding) pursuant to clauses (xiv) and (xvi) of this Section 9.04 and otherwise in accordance with Section 9.09(iv)(D);

(xviii) Indebtedness in an aggregate outstanding principal amount which, when taken together with any Permitted Refinancing Indebtedness in respect thereof and the principal amount of all other Indebtedness incurred pursuant to this clause (xviii) and then outstanding, will not exceed \$40,000,000; provided that any Restricted Subsidiary that is not a Credit Party may not incur Indebtedness under this clause (xviii), if after giving pro forma effect to such incurrence (including a pro forma application of the net proceeds therefrom), the aggregate amount of Indebtedness of such Restricted Subsidiaries that are not Credit Parties, collectively, would exceed \$10,000,000;

(xix) additional Parity Lien Debt and guaranties thereof by the Credit Parties, subject to the terms of the Revolver Intercreditor Agreement; provided, that each of the Payment Conditions is satisfied;

(xx) additional Junior Lien Debt and guaranties thereof by the Credit Parties, subject to the terms of the Revolver Intercreditor Agreement; provided, that each of the Payment Conditions is satisfied; and

(xxi) (a) Indebtedness consisting of promissory notes issued by the Administrative Borrower or any of its Subsidiaries to any current or former employee, director or consultant of the Administrative Borrower or any of its Subsidiaries (or permitted transferees, assigns, estates, or heirs of such employee, director or consultant), to finance the purchase or redemption of Equity Interests of the Administrative Borrower or any of its Subsidiaries that is permitted by Section 9.03 and (b) Indebtedness consisting of obligations under deferred compensation or any other similar arrangements incurred in the ordinary course of business, consistent with past practice or in connection with any Investment or any acquisition (by merger, consolidation, amalgamation or otherwise).

For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness incurred pursuant to and in compliance with, Section 9.04: (1) in the event that Indebtedness (other than Indebtedness permitted pursuant to Section 9.04(xv)) and meets the criteria of more than one of the types of Indebtedness described in Section 9.04, the Administrative Borrower, in its sole discretion, will classify, and may from time to time reclassify, such item of Indebtedness and only be required to include the amount and type of such Indebtedness in one of the clauses of this Section 9.04; and (2) additionally, all or any portion of any item of Indebtedness (other than Indebtedness permitted pursuant to Section 9.04(xv)) may later be classified as having been incurred pursuant to any type of Indebtedness described in this Section 9.04 so long as such Indebtedness is permitted to be incurred pursuant to such provision at the time of reclassification;

Notwithstanding any other provision of this Agreement, the maximum amount of Indebtedness that the Administrative Borrower or a Restricted Subsidiary may incur pursuant to Section 9.04 shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Permitted Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

9.05. Advances, Investments and Loans. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, make any Investment; except, that the following shall be permitted:

(i) the Administrative Borrower and its Restricted Subsidiaries may acquire and hold accounts receivables owing to any of them, if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms of the Administrative Borrower or such Restricted Subsidiary;

(ii) the Administrative Borrower and its Restricted Subsidiaries may acquire and hold cash and Cash Equivalents;

(iii) the Administrative Borrower and its Restricted Subsidiaries may hold the Investments held by them on the Effective Date and described on Schedule 9.05A (and any increase in the value of such Investments not resulting from an additional Investment); provided, that any additional Investments made with respect thereto shall be permitted only if permitted under the other provisions of this Section 9.05;

(iv) the Administrative Borrower and its Restricted Subsidiaries may acquire and own investments (including debt obligations and equity securities) received in settlement, compromise or resolutions of debts created in the ordinary course of business and owing to the Administrative Borrower or any Restricted Subsidiary, in exchange for any other Investment or accounts receivable, endorsements for collection or deposit or trade arrangement, as a result of foreclosure, perfection or enforcement of any

Lien, in satisfaction of judgments or pursuant to any plan of reorganization or similar arrangement including in connection with the bankruptcy or reorganization of a debtor, suppliers and customers and in good faith settlement of delinquent obligations of, and other disputes with, debtors, customers and suppliers arising in the ordinary course of business;

(v) the Administrative Borrower and its Restricted Subsidiaries may make, or guarantee, loans and advances to their (or their Parent Company's) directors, officers, employees or consultants (x) for moving, relocation, entertainment and travel expenses and other similar expenditures, in each case in the ordinary course of business or (y) in an aggregate amount not to exceed \$1,000,000 at any time (determined without regard to any write-downs or write-offs of such loans and advances);

(vi) the Administrative Borrower and its Restricted Subsidiaries may make, or guarantee, loans and advances to their (or their Parent Company's) directors, officers, employees or consultants in connection with such directors', officers', employees' or consultants' acquisition of shares of Borrower Common Stock (or similar obligations) or of Equity Interest of the Administrative Borrower, its Subsidiaries or any Parent Company;

(vii) the Administrative Borrower may enter into Interest Rate Protection Agreements and other Hedge Agreements to the extent permitted by Section 9.04(iii);

(viii) the Administrative Borrower or any Restricted Subsidiary may make Investments in any other Restricted Subsidiary and any Restricted Subsidiary may make Investments in the Administrative Borrower, and in each case, in any Person (including the Equity Interests of such Person) that will, upon the making of such Investment, become a Restricted Subsidiary (and any such Investments in the form of intercompany loans and advances referred to this clause (viii) being collectively called the "Intercompany Loans"); provided, that (v) each Intercompany Loan made by any Restricted Subsidiary of the Administrative Borrower that is not a Credit Party to a Credit Party shall be unsecured and subject to the subordination provisions contained in the Intercompany Note, (w) each Intercompany Loan shall be evidenced by an Intercompany Note, (x) each such Intercompany Loan owned or held by a Credit Party shall be pledged to the Collateral Agent pursuant to the Pledge Agreement, (y) any Investment made to any Restricted Subsidiary pursuant to this clause (viii) shall cease to be permitted by this clause (viii) if such Restricted Subsidiary ceases to constitute a Restricted Subsidiary, and (z) at no time shall the aggregate outstanding amount of all Intercompany Loans made by a Credit Party to any Restricted Subsidiary which is not a Credit Party exceed at any time \$10,000,000 (net of any return on any such Investment in the form of a principal repayment, distribution, dividend or redemption, as applicable);

(ix) the Administrative Borrower and its Restricted Subsidiaries may make Investments in deposit accounts and securities accounts maintained by the Administrative Borrower or such Restricted Subsidiary, as the case may be, so long as the Collateral Agent has a perfected, first-priority security interest therein as, and to the extent, required by the Security Agreement;

(x) the Administrative Borrower and its Restricted Subsidiaries may own the Equity Interests of their respective Restricted Subsidiaries created or acquired in accordance with the terms of this Agreement after the Effective Date or of an entity merged into the Administrative Borrower or merged into or consolidated with a Restricted Subsidiary after the Effective Date to the extent that such Investments were not made in contemplation of or in connection with such acquisition, merger or consolidation and were in existence on the date of such acquisition, merger or consolidation;

(xi) Contingent Obligations permitted by Section 9.04, to the extent constituting Investments;

(xii) the Administrative Borrower and each Restricted Subsidiary of the Borrower may from time to time effect Permitted Acquisitions, so long as (in each case except to the extent the Required Lenders otherwise specifically agree in writing in the case of a specific Permitted Acquisition) (a) no Event of Default shall have occurred and be continuing at the time of the consummation of the proposed Permitted Acquisition or immediately after giving effect thereto; (b) the Administrative Borrower shall have given to the Administrative Agent and the Lenders at least 5 Business Days' prior written notice of any Permitted Acquisition (or such shorter period of time as may be reasonably acceptable to the Administrative Agent), which notice shall describe in reasonable detail the principal terms and conditions of such Permitted Acquisition; (c) the Aggregate Consideration attributable to all Persons and assets purchased or acquired pursuant to all Permitted Acquisitions which do not become Credit Parties or Collateral, as applicable, directly held by a Credit Party (for this purpose, excluding as Collateral the value of Equity Interests of Persons so acquired that are not Wholly-Owned Domestic Restricted Subsidiaries and Credit Parties) shall not exceed, when combined with aggregate amount of Investments made in reliance on Section 9.05(xviii)(b), \$5,000,000; (d) all representations and warranties contained herein and in the other Credit Documents shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the date of such Permitted Acquisition (both before and immediately after giving effect thereto), unless stated to relate to a specific earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date; (e) Administrative the Borrower shall have taken, or caused to be taken, all actions then required by Sections 8.11 in connection with such Permitted Acquisition; and (f) the Administrative Borrower shall have delivered to the Administrative Agent and each Lender a certificate executed by its Authorized Officer, certifying to such officer's knowledge, compliance with the requirements of preceding clauses (a) through (e);

(xiii) the Administrative Borrower and its Restricted Subsidiaries may receive and hold promissory notes and other non-cash consideration (including earn-outs) received in connection with any asset sale permitted by Section 9.02;

(xiv) the Administrative Borrower and its Restricted Subsidiaries may make advances in the form of a prepayment of expenses to vendors, suppliers and trade creditors consistent with their past practices, so long as such expenses were incurred in the ordinary course of business of the Administrative Borrower or such Restricted Subsidiary;

(xv) Permitted Asset Swaps may be consummated in accordance with the definition thereof and Section 9.02(xv);

(xvi) [reserved];

(xvii) the Administrative Borrower and its Restricted Subsidiaries may make additional Investments; provided that the Payment Conditions are satisfied;

(xviii) the Administrative Borrower and each Restricted Subsidiary of the Administrative Borrower may from time to time make Investments in Joint Ventures, (a) so long as the Payment Conditions are satisfied or (b) in an aggregate amount in the form of cash, Cash Equivalents or accounts receivable, taken together with all other Investments made pursuant to this clause (xviii)(b) and Section 9.05(xii)(c) that are at the time outstanding, not to exceed \$5,000,000 (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value) or (c) so long as such Investment is not made in the form of cash, Cash Equivalents or accounts receivable, in an aggregate amount, taken together with all other Investments made pursuant to this clause (xviii)(c) that are at the time outstanding, not to exceed \$20,000,000 (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value),

plus the amount of any returns (including dividends, payments, interest, distributions, returns of principal, profits on sale, repayments, income and similar amounts) in respect of such Investments with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value; provided, however, that if any Investment pursuant to clause (xviii)(b) or clause (xviii)(c) is made in any Person that is not a Borrower or a Restricted Subsidiary at the date of the making of such Investment and such person becomes a Borrower or a Restricted Subsidiary after such date, such Investment shall thereafter be deemed to have been made pursuant to clause (viii) above (subject to the terms thereof) and shall cease to have been made pursuant to this clause (xviii)(b) or (xviii)(c), as applicable;

(xix) the Administrative Borrower and its Restricted Subsidiaries may make the Investments described on Schedule 9.05B;

(xx) Investments in payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business;

(xxi) any Investment to the extent made using Equity Interests of the Administrative Borrower (other than Disqualified Preferred Stock) or Equity Interests of any Parent Company or any Unrestricted Subsidiary as consideration;

(xxii) the Administrative Borrower and its Restricted Subsidiaries may make (a) additional Investments in the form of cash, Cash Equivalents or accounts receivables having an aggregate fair market value, taken together with all other Investments made pursuant to this clause (xxii)(a) that are at that time outstanding, not to exceed \$5,000,000 (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value) plus the amount of any distributions, dividends, payments or other returns in respect of such Investments and (b) additional Investments, so long as such Investments are not made in the form of cash, Cash Equivalents or accounts receivable, in an aggregate amount, taken together with all other Investments made pursuant to this clause (xxii)(b) that are at the time outstanding, not to exceed \$20,000,000 (with the Fair Market Value of each Investment being measured at the time made and without giving effect to subsequent changes in value); provided that if such Investment is in Equity Interests of a Person that subsequently becomes a Restricted Subsidiary, such Investment shall thereafter be deemed permitted under clause (viii) above (subject to the terms thereof) and shall not be included as having been made pursuant to this clause (xxii);

(xxiii) Investments consisting of advances to customers or extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business;

(xxiv) [Reserved];

(xxv) the Administrative Borrower and its Restricted Subsidiaries may make Investments in the ordinary course of business consisting of UCC Article 3 endorsements for collection or deposit and UCC Article 4 customary trade arrangements with customers consistent with past practices;

(xxvi) Investments consisting of licensing of intellectual property pursuant to joint marketing arrangements with other Persons;

(xxvii) contributions to a "rabbi" trust for the benefit of employees or other grantor trust subject to claims of creditors in the case of a bankruptcy of the Administrative Borrower;

(xxviii) [reserved]; and

(xxix) Investments by an Unrestricted Subsidiary entered into prior to the day such Unrestricted Subsidiary is redesignated as a Restricted Subsidiary pursuant to Section 8.14 to the extent that such Investments were not made in contemplation of or in connection with such re-designation.

9.06. Transactions with Affiliates. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, directly or indirectly, enter into or conduct any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of the Administrative Borrower (an "Affiliate Transaction") involving an aggregate value in excess of \$10,000,000 unless: (1) the terms of such Affiliate Transaction taken as a whole are not materially less favorable to the Administrative Borrower or such Restricted Subsidiary, as the case may be, than those that could be obtained in a comparable transaction at the time of such transaction or the execution of the agreement providing for such transaction in arm's length dealings with a Person who is not such an Affiliate; and (2) with respect to any Affiliate Transaction or series of Affiliate Transactions involving an aggregate value in excess of \$10,000,000, the Administrative Borrower delivers to the Administrative Agent, an officer's certificate stating that the terms of such transaction have been approved by a majority of the members of the board of directors of the Administrative Borrower; provided that any Affiliate Transaction shall be deemed to have satisfied the requirements set forth in clause (2) if such Affiliate Transaction is approved by a majority of the Disinterested Directors, if any. The provisions of this paragraph shall not apply to:

(i) Dividends may be paid to the extent provided in Section 9.03;

(ii) loans may be made, prepayments of debt made, and other transactions may be entered into by the Administrative Borrower and its Restricted Subsidiaries to the extent permitted by Sections 9.01, 9.02, 9.04, 9.05 and 9.09;

(iii) the payment of compensation, reasonable fees and reimbursement of expenses to, employment and severance arrangements with, and customary indemnities (including under customary insurance policies), and employee benefit and pension expenses provided on behalf of, directors, officers, consultants or employees of the Administrative Borrower or any Restricted Subsidiary of the Administrative Borrower (whether directly or indirectly and including through any Person owned or controlled by any of such directors, officers or employees);

(iv) (a) any issuance, transfer or sale of Equity Interests, options, other equity-related interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, or amendments or modifications to, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements, options, warrants or other rights to purchase Equity Interests of the Administrative Borrower, any Restricted Subsidiary or any Parent Company, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) or indemnities provided on behalf of officers, employees, directors or consultants approved by the board of directors of the Administrative Borrower; (b) directors' qualifying shares and shares issued to foreign nationals as required under applicable law, in each case in the ordinary course of business; and (c) issuances or sales of Equity Interests (other than Disqualified Preferred Stock) of the Administrative Borrower or any of its Restricted Subsidiaries or options, warrants or other rights to acquire such Equity Interests and the granting of registration and other customary rights in connection therewith or any contribution to capital of the Administrative Borrower or any Restricted Subsidiary;

(v) the Administrative Borrower and its Restricted Subsidiaries may enter into, and may make payments under, employment agreements, consulting arrangements, employee benefits plans, stock option plans, indemnification provisions and other similar compensatory arrangements with officers, employees and directors of the Administrative Borrower and its Restricted Subsidiaries in the ordinary course of business;

(vi) Restricted Subsidiaries of the Administrative Borrower may pay management fees, licensing fees and similar fees to the Administrative Borrower or to any other Credit Party;

(vii) transactions pursuant to any agreement in effect on the Effective Date, as such agreement may be amended, modified or supplemented from time to time; provided, that any such amendment, modification or supplement (taken as a whole) will not be more disadvantageous to the Borrower in any material respect than such agreement as it was in effect on the Effective Date;

(viii) any transaction between or among any Borrower and any Restricted Subsidiary (or entity that becomes a Restricted Subsidiary as a result of such transaction), or between or among Restricted Subsidiaries;

(ix) personal, non-exclusive licenses of intellectual property rights;

(x) [reserved];

(xi) [reserved];

(xii) transactions in which the Administrative Borrower or any Restricted Subsidiary, as the case may be, delivers to the Administrative Agent a letter from an Independent Qualified Party stating that such transaction is fair to the Administrative Borrower or such Restricted Subsidiary from a financial point of view or meets the requirements of the first paragraph of this Section 9.06;

(xiii) (i) investments by Affiliates in securities or loans of the Administrative Borrower or any of the Restricted Subsidiaries (and payment of reasonable out-of-pocket expenses incurred by such Affiliates in connection therewith) so long as the investment is being offered by the Administrative Borrower or such Restricted Subsidiary generally to other non-affiliated third party investors on the same or more favorable terms and (ii) payments to Affiliates in respect of securities or loans of the Administrative Borrower or any of the Restricted Subsidiaries contemplated in the foregoing subclause (i) or that were acquired from Persons other than the Administrative Borrower and its Restricted Subsidiaries, in each case, in accordance with the terms of such securities or loans;

(xiv) payments to or from, and transactions with, any Subsidiary or any Joint Venture in the ordinary course of business or consistent with past practice (including any cash management arrangements or activities related thereto);

(xv) the Refinancing Transactions and the payment of all costs, fees, expenses and charges (including all legal, accounting and other professional fees, rating agency fees, deferred finance costs) related thereto; and

(xvi) any transactions with Affiliates listed on Schedule 9.06.

9.07. Fixed Charge Coverage Ratio. During the continuance of a Financial Covenant Triggering Event and measured on a trailing twelve (12) month basis at the end of each Fiscal Quarter, commencing

as of the end of the Fiscal Quarter immediately preceding the date on which a Financial Covenant Triggering Event first occurs and as of each Fiscal Quarter end thereafter, the Borrowers will not permit the Fixed Charge Coverage Ratio to be less than 1.00:1.00.

9.08. [Intentionally Omitted].

9.09. Modifications Certificate of Incorporation, By-Laws and Certain Other Agreements; Limitations on Voluntary Payments, Etc. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to:

(i) [Intentionally Omitted];

(ii) amend, modify or change its certificate or articles of incorporation (including, without limitation, by the filing or modification of any certificate or articles of designation), certificate of formation, limited liability company agreement or by-laws (or the equivalent organizational documents), as applicable, or any agreement entered into by it with respect to its Equity Interests (including Qualified Preferred Stock), or enter into any new agreement with respect to its Equity Interests, unless such amendment, modification, change or other action contemplated by this clause (ii) could not reasonably be expected to be adverse to the interests of the Lenders in any material respect;

(iii) [Intentionally Omitted];

(iv) make (or give any notice in respect of) any voluntary or optional payment or prepayment on or redemption, repurchase or acquisition for value of, or any prepayment or redemption as a result of any asset sale, change of control or similar required "repurchase" event of (including, in each case without limitation, by way of depositing with the trustee with respect thereto or any other Person, money or securities before due for the purpose of paying when due), any Parity Lien Debt, any Junior Lien Debt, any Permitted Unsecured Debt, any Subordinated Indebtedness (including Permitted Subordinated Debt) or any Permitted Refinancing Indebtedness in respect of any of the foregoing Indebtedness (any such payment, prepayment, redemption, repurchase of other acquisition, a "Debt Repurchase"), except:

(A) the Administrative Borrower and its Restricted Subsidiaries may at any time effect a Debt Repurchase; provided, that each of the Payment Conditions is satisfied;

(B) the making of any Debt Repurchase in exchange for, or out of the net cash proceeds of the substantially concurrent sale (other than to the Administrative Borrower or a Restricted Subsidiary thereof) of Equity Interests of the Administrative Borrower (other than Disqualified Preferred Stock) or from the substantially concurrent contribution of common equity capital to the Administrative Borrower;

(C) [reserved];

(D) the Administrative Borrower and its Restricted Subsidiaries may at any time refinance any Parity Lien Debt, any Junior Lien Debt, any Permitted Unsecured Debt and any Subordinated Indebtedness (and any Permitted Refinancing Indebtedness in respect of any of the foregoing Indebtedness) pursuant to a Permitted Refinancing thereof; provided, that such refinancing is permitted under the Senior Secured Notes Indenture as in effect on the Effective Date or as amended in accordance with the terms of the Revolver Intercreditor Agreement;

(E) [reserved];



(F) the Administrative Borrower and its Restricted Subsidiaries may at any time effect a Debt Repurchase in an aggregate amount equal to the amount of Excluded Contributions received by the Borrower no earlier than one hundred and eighty days (180) days prior to the payment of such Debt Repurchase and so long as the amount of such Excluded Contribution was not otherwise applied under this Section 9.09(iv)(F) or under Section 9.03(xiii); and

(G) so long as no Event of Default has occurred and is continuing (or would result from), Debt Repurchases in an aggregate amount outstanding at the time made not to exceed, together with any Dividends made in reliance of Section 9.03(xvii), \$15,000,000; and

(v) amend, modify or waive or permit the amendment, modification or waiver of, any provision of any Senior Secured Notes Documents, or, on and after the execution and delivery thereof, any other Parity Lien Document, any Permitted Subordinated Debt Document, any Permitted Unsecured Debt Document, any Junior Lien Document, or any Permitted Refinancing Debt Documents in respect of any of the foregoing Indebtedness that, in any such case, is adverse to the interests of the Lenders in any material respect (other than any such amendment or modification that (i) makes the provisions thereof less restrictive on the Administrative Borrower and its Restricted Subsidiaries (taken as a whole) (including with respect to any representation, warranty, covenant, default or event of default), (ii) reduces interest rates, prepayment premiums, commissions or fees paid (or to be paid) by the Administrative Borrower or any of its Restricted Subsidiaries in connection therewith, (iii) extends the stated maturity of any Indebtedness thereunder or (iv) modifies conditions to borrowing, financial covenants, reserves, borrowing base, advance rates or overadvance limitations, in each case so long as no fees (or any economically equivalent payment) are paid to any lender, holder or other Person required to consent to, or otherwise approve, any such amendment or modification; provided, that the foregoing provisions of this clause (v) shall not be construed to apply to a refinancing of any Parity Lien Debt or Junior Lien Debt permitted pursuant to Section 9.04, or any Permitted Unsecured Debt or any Subordinated Indebtedness (or any Permitted Refinancing Indebtedness in respect of any of the foregoing Indebtedness) effected in accordance with the requirements of Section 9.09(iv)(D).

9.10. Limitation on Certain Restrictions on Restricted Subsidiaries. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to (a) pay dividends or make any other distributions on its Equity Interest or participation in its profits owned by the Administrative Borrower or any of its Restricted Subsidiaries, or pay any Indebtedness owed to the Administrative Borrower or any of its Restricted Subsidiaries, (b) make loans or advances to the Administrative Borrower or any of its Restricted Subsidiaries or (c) transfer any of its properties or assets to the Administrative Borrower or any of its Restricted Subsidiaries, except for such encumbrances or restrictions existing under or by reason of (i) applicable law, rule, regulation or order, (ii) this Agreement and the other Credit Documents, (iii) the Senior Secured Notes Documents and, after the execution and delivery thereof, any other Parity Lien Document, any Junior Lien Document, the Permitted Subordinated Debt Documents, the Permitted Unsecured Debt Documents and any Permitted Refinancing Debt Documents governing Permitted Refinancing Indebtedness in respect of any of the foregoing Indebtedness, (iv) customary provisions restricting subletting or assignment of any lease governing any leasehold interest of the Administrative Borrower or any of its Restricted Subsidiaries, (v) customary provisions restricting assignment of any licensing agreement or other contract (and in each case, any assets subject thereto) entered into by the Administrative Borrower or any of its Restricted Subsidiaries in the ordinary course of business, (vi) restrictions on the transfer of any asset pending the close of the sale of such asset, (vii) restrictions on the transfer of any asset subject to a Permitted Lien; (viii) any agreement or instrument governing Permitted Acquired Debt, which encumbrance or restriction is not applicable to any Person or the properties or assets of any Person, other than the Person or the properties or assets of the Person acquired pursuant to the respective Permitted Acquisition or Investment and so long as the respective

encumbrances or restrictions were not created (or made more restrictive) in connection with or in anticipation of the respective Permitted Acquisition or Investment; (ix) restrictions applicable to any joint venture that is a Restricted Subsidiary existing at the time of the acquisition thereof as a result of an Investment pursuant to Section 9.05 or a Permitted Acquisition effected in accordance with Section 9.05(xii); provided, that the restrictions applicable to such joint venture are not made more burdensome, from the perspective of the Administrative Borrower and its Restricted Subsidiaries, than those as in effect immediately before giving effect to the consummation of the respective Investment or Permitted Acquisition; (x) negative pledges and restrictions on Liens in favor of any holder of Indebtedness for borrowed money permitted under Section 9.04 but only if such negative pledge or restriction expressly permits Liens for the benefit of the Administrative Agent and/or the Collateral Agent and the Lenders with respect to the credit facilities established hereunder and the Obligations under the Credit Documents on a senior basis and without a requirement that such holders of such Indebtedness be secured by such Liens equally and ratably or on a junior basis, (xi) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under agreements entered into in the ordinary course of business; (xii) restrictions that will not materially impair the Borrowers' ability to make payments under this Agreement and the other Credit Documents; (xiii) [reserved]; and (xiv) an agreement effecting a refinancing, replacement or substitution of Indebtedness issued, assumed or incurred pursuant to an agreement or instrument referred to in clause (viii) above; provided, that the provisions relating to such encumbrance or restriction contained in any such refinancing, replacement or substitution agreement (taken as a whole) are not materially less favorable to the Borrowers or the Lenders than the provisions relating to such encumbrance or restriction contained in the agreements or instruments referred to in such clause (viii).

9.11. [Intentionally Omitted].

9.12. Business; etc. The Borrowers will not, and will not permit any of their respective Restricted Subsidiaries to, engage directly or indirectly in any business other than a Permitted Business, except to the extent as would not be material to the Borrowers and their respective Restricted Subsidiaries taken as a whole.

#### SECTION 10. Events of Default.

Upon the occurrence of any of the following specified events (each, an 'Event of Default'):

10.01. Payments. The Borrowers shall (i) default in the payment when due of any principal of any Loan, or (ii) default, and such default shall continue unremedied for five (5) or more Business Days, in the payment when due of any interest on any Loan, any Fees or any other amounts owing hereunder or under any other Credit Document; or

10.02. Representations, etc. Any representation, warranty or statement made or deemed made by any Credit Party herein or in any other Credit Document or in any certificate delivered to the Administrative Agent or any Lender pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made; or

10.03. Covenants. The Administrative Borrower or any of its Restricted Subsidiaries shall (i) default in the due performance or observance by it of any term, covenant or agreement contained in Section 8.01(f)(i), 8.01(j) (with respect to the delivery of a Borrowing Base Certificate, if such default shall not have been remedied or waived (i) within five (5) days or (ii) during the Reporting Period, within two (2) days), 8.04 (with respect to the maintenance of existence of the Borrowers), 8.11 or 8.14, or Section 3.2 of the Security Agreement (if, to the extent a Cash Dominion Period is not in effect, such default shall not have been remedied or waived within five (5) days) or (ii) default in the due performance or observance by it of any other term, covenant or agreement contained in this Agreement or any other Credit Document

(other than those set forth in Sections 10.01 and 10.02) and such default shall continue unremedied for a period of thirty (30) days after the earlier of (x) the date on which such default shall first become known to any Authorized Officer of the Administrative Borrower or any other Credit Party or (y) the date on which written notice thereof is given to the Administrative Borrower by the Administrative Agent or the Required Lenders; or

10.04. Default Under Other Agreements. (i) The Administrative Borrower or any of its Restricted Subsidiaries shall (x) default in any payment of any Indebtedness (other than the Obligations) beyond the period of grace (after delivery of any notice if required and after giving effect to any waiver, amendment, cure or grace period), if any, provided in an instrument or agreement under which such Indebtedness was created or (y) default in the observance or performance of any agreement or condition relating to any Indebtedness (other than the Obligations) or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or holders of such Indebtedness (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required, but after giving effect to any waiver, amendment, cure or grace period), any such Indebtedness to become due prior to its stated maturity, or (ii) any Indebtedness (other than the Obligations) of the Administrative Borrower, any of its Restricted Subsidiaries shall be declared to be (or shall become) due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof (other than, in the case of this clause (ii), any secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness so long as such sale or transfer is not prohibited under this Agreement); provided that this Section 10.04 shall not apply to (i) any Indebtedness if the sole remedy of the holder thereof in the event of the non-payment of such Indebtedness or the non-payment or non-performance of obligations related thereto is to elect, in each case, to convert such Indebtedness into Equity Interests and cash in lieu of fractional shares, (ii) Indebtedness which the holder thereof may elect to convert into Equity Interests from and after the date, if any, on which such conversion into Equity Interests has been effected and (iii) any breach or default that is (I) remedied by the Administrative Borrower or the applicable Restricted Subsidiary or (II) waived (including in the form of amendment) by the required holders of the applicable item of Indebtedness, in either case, prior to any termination of the Commitments or the acceleration of Loans pursuant to this Section 10; provided, that it shall not be a Default or an Event of Default under this Section 10.04 unless the aggregate principal amount of all Indebtedness as described in preceding clauses (i) and (ii) is at least \$20,000,000; or

10.05. Bankruptcy, etc. The Administrative Borrower or any Restricted Subsidiary (other than any Immaterial Subsidiary), shall commence a voluntary case concerning itself under Title 11 of the United States Code entitled "Bankruptcy," as now or hereafter in effect, or any successor thereto (the "Bankruptcy Code"); or an involuntary case is commenced against the Administrative Borrower or any such Restricted Subsidiary (other than an Immaterial Subsidiary) and the petition is not controverted within thirty (30) days, or is not dismissed within sixty (60) days after the filing thereof; or a custodian (as defined in the Bankruptcy Code) is appointed for, or takes charge of, all or substantially all of the property of the Administrative Borrower or any such Restricted Subsidiary (other than an Immaterial Subsidiary) to operate all or any substantial portion of the business of the Administrative Borrower or any such Restricted Subsidiary (other than an Immaterial Subsidiary), or the Administrative Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary), commences any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency or liquidation or similar law of any jurisdiction whether now or hereafter in effect relating to the Administrative Borrower or any such Restricted Subsidiary (other than an Immaterial Subsidiary) or there is commenced against the Administrative Borrower or any such Restricted Subsidiary (other than an Immaterial Subsidiary), any such proceeding which remains undismissed for a period of sixty (60) days after the filing thereof, or the Administrative Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary), is adjudicated insolvent or bankrupt; or any order of relief or other order approving any such case or proceeding is entered;

or the Administrative Borrower or any such Restricted Subsidiary (other than an Immaterial Subsidiary) makes a general assignment for the benefit of creditors; or any Company action is taken by the Administrative Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary) to authorize any of the foregoing; or

10.06. ERISA.

- (a) One or more ERISA Events shall have occurred;
- (b) there is or arises an Unfunded Pension Liability (taking into account only Plans with positive Unfunded Pension Liability); or
- (c) there is or arises any potential withdrawal liability under Section 4201 of ERISA, if the Administrative Borrower, any Subsidiary of the Administrative Borrower or the ERISA Affiliates were to withdraw completely from any and all Multiemployer Plans;

and the liability of any or all of the Administrative Borrower, any Subsidiary of the Administrative Borrower and the ERISA Affiliates contemplated by the foregoing clauses (a), (b) and (c), either individually or in the aggregate, has had or would be reasonably expected to have, a Material Adverse Effect; or

10.07. Security Documents. Any of the Security Documents shall cease to be in full force and effect (other than in accordance with its terms or as the direct and exclusive result of an action or a failure to act, in each case in a manner otherwise specified as required to be undertaken (or not undertaken, as the case may be) by a provision of any Credit Document, on the part of any Administrative Agent, the Collateral Agent or any Lender), or shall cease to give the Collateral Agent for the benefit of the Secured Creditors the Liens, rights, powers and privileges purported to be created thereby (including, without limitation, a perfected security interest (if and to the extent such Collateral can be perfected by the actions required by the applicable Security Document) in, and Lien on, all of the Collateral, in favor of the Collateral Agent, superior to and prior to the rights of all third Persons (except as permitted by Section 9.01), and subject to no other Liens (except as permitted by Section 9.01); provided, that the failure to have a perfected (if and to the extent such Collateral can be perfected by the actions required by the applicable Security Document) and enforceable Lien on Collateral in favor of the Collateral Agent shall not give rise to an Event of Default under this Section 10.07 at any time, unless the aggregate fair market value of all Collateral over which the Collateral Agent fails to have such a perfected and enforceable Lien equals or exceeds \$10,000,000 at any time, except to the extent that such failure of perfection or enforceability results from any act or omission of the Collateral Agent or the Administrative Agent (so long as such act or omission does not result from a Credit Party's breach of, or non-compliance, with the terms of any Credit Document); or

10.08. Guaranties. Any Guaranty or any provision thereof shall cease to be in full force or effect as to any Credit Party (except as a result of a release of any Credit Party in accordance with the terms thereof), or any Credit Party or any Person acting for or on behalf of such Credit Party shall deny or disaffirm such Credit Party's obligations under the Guaranty to which it is a party; or

10.09. Judgments. One or more final judgments or decrees shall be entered against the Administrative Borrower or any Restricted Subsidiary (other than an Immaterial Subsidiary), involving in the aggregate for the Administrative Borrower and its Restricted Subsidiaries a liability (not paid or to the extent not covered by a reputable and solvent insurance company with respect to judgments for the payment of money and for which coverage has not been denied after written notice has been furnished thereto) and such final judgments and decrees are not vacated, discharged or stayed or bonded pending appeal for any

period of sixty (60) consecutive days and the aggregate amount of all such judgments equals or exceeds \$20,000,000; or

10.10. Change of Control. A Change of Control shall occur; or

10.11. FCC Licenses and Authorizations. There shall have occurred any of the following: (i) the Administrative Borrower or any of its Restricted Subsidiaries shall lose, fail to keep in force, suffer the termination, suspension or revocation of or terminate, forfeit or suffer an amendment to any FCC License or other material business or governmental license at any time held by it, the loss, termination, suspension or revocation of which could reasonably be expected to have a Material Adverse Effect, (ii) any proceeding shall be brought by any Person challenging the validity or enforceability of any Necessary Authorization of the Administrative Borrower or any of its Restricted Subsidiaries, except when such proceeding could not reasonably be expected to have a Material Adverse Effect, (iii) the Administrative Borrower or any of its Restricted Subsidiaries shall fail to comply with the Communications Act or any rule or regulation promulgated by the FCC and such failure to comply results in a fine in excess of \$20,000,000, (iv) the FCC shall materially and adversely modify any material Necessary Authorization or shall suspend, revoke or terminate any Necessary Authorization and such modification, suspension, revocation or termination is not subject to appeal or is being appealed by the Administrative Borrower or a Restricted Subsidiary so as to prevent the effectiveness of such modification, suspension, revocation or termination, except when such modification, suspension, revocation or termination could not reasonably be expected to have a Material Adverse Effect, or (v) any contractual obligation which is materially necessary to the operation of the broadcasting operations of the Administrative Borrower or any of its Restricted Subsidiaries shall be revoked or terminated and not replaced by a substitute, within ninety (90) days after such revocation or termination, and such revocation or termination and non-replacement could reasonably be expected to have a Material Adverse Effect; or

10.12. Revolver Intercreditor Agreement. The Revolver Intercreditor Agreement shall cease to be in full force and effect, or shall cease to give the Collateral Agent, for the benefit of the Secured Creditors, Lien priority, rights, powers and privileges purported to be created and granted thereunder, or the Administrative Borrower or any of its Restricted Subsidiaries, any trustee, collateral trustee, noteholder or other secured party under the Senior Secured Notes or any agreement executed in connection therewith or any agent, lender or other secured party under any other Parity Lien Document or Junior Lien Document shall seek to establish the invalidity or unenforceability thereof;

then, and in any such event, and at any time thereafter, if any Event of Default shall then be continuing, the Administrative Agent may, and, at the written instruction of the Required Lenders, shall, in addition to any other rights or remedies provided for hereunder or under any other Credit Document or by applicable law, by written notice to the Administrative Borrower, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against any Credit Party (provided, that, if an Event of Default specified in Section 10.05 shall occur with respect to any Borrower, the result which would occur upon the giving of written notice by the Administrative Agent as specified in clauses (i) and (ii) below shall occur automatically without the giving of any such notice): (i)(A) declare the principal of, and any and all accrued and unpaid interest and fees in respect of, the Loans and all other Obligations (other than the Bank Product Obligations), whether evidenced by this Agreement or by any of the other Credit Documents to be immediately due and payable, whereupon the same shall become and be immediately due and payable and the Borrowers shall be obligated to repay all of such Obligations in full, without presentment, demand, protest, or further notice or other requirements of any kind, all of which are hereby expressly waived by the Borrowers, (B) terminate any Letter of Credit that may be terminated in accordance with its terms, (C) direct the Borrowers to provide (and the Borrowers agree that upon receipt of such notice they will provide) Letter of Credit Collateralization to Administrative Agent to be held as security for the Borrowers' reimbursement obligations for drawings that may subsequently occur under

issued and outstanding Letters of Credit, and (D) direct the Borrowers to provide (and the Borrowers agree that upon receipt of such notice they will provide) Bank Product Collateralization to Administrative Agent to be held as security for the Borrowers' Bank Product Obligations; (ii) declare the Commitments terminated, whereupon the Commitments shall immediately be terminated together with (A) any obligation of any Revolving Lender to make Revolving Loans, and (B) the obligation of Issuing Lender to issue Letters of Credit; (iii) exercise all other rights and remedies available to Administrative Agent or the Lenders under the Credit Documents, under applicable law, or in equity; (iv) subject to Section 8.11(b), enforce, as Collateral Agent, all of the Liens and security interests created pursuant to the Security Documents; and (v) enforce each Guaranty.

#### SECTION 11. The Administrative Agent

11.01. Appointment. The Lenders (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to designate, appoint, and authorize) hereby irrevocably designate and appoint Bank of America, N.A. as Administrative Agent (for purposes of this Section 11 and Section 12.01, the term "Administrative Agent" also shall include Bank of America, N.A. in its capacity as Collateral Agent pursuant to the Security Documents) to act as specified herein and in the other Credit Documents. Each Lender and by entering into a Bank Product Agreement, each Bank Product Provider hereby irrevocably authorizes, the Administrative Agent to take such action on its behalf under the provisions of this Agreement, the other Credit Documents and any other instruments and agreements referred to herein or therein and to exercise such powers and to perform such duties hereunder and thereunder as are specifically delegated to or required of the Administrative Agent by the terms hereof and thereof and such other powers as are reasonably incidental thereto. The Administrative Agent may perform any of its respective duties hereunder by or through any one or more sub-agents appointed by it or through its Related Parties. The exculpatory provisions of this Section 11 shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, as well as activities as Administrative Agent. The provisions of this Section 11 are solely for the benefit of the Administrative Agent and the Lenders and by entering into a Bank Product Agreement, each Bank Product Provider, and no Credit Party shall have rights as a third party beneficiary of any such provisions. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final nonappealable judgment that the Administrative Agent acted with gross negligence, bad faith or willful misconduct in the selection of such sub-agent. In performing its functions and duties hereunder, the Administrative Agent shall act solely as an agent of the Lenders and each Bank Product Provider and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for the Administrative Borrower or any of its Subsidiaries. It is understood and agreed that the use of the term "agent" herein or in any other Credit Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties. Each Lender and each Bank Product Provider irrevocably appoints each other as its agent and bailee for the purpose of perfecting Liens (whether pursuant to Section 8-301(a)(2) of the UCC or otherwise), for the benefit of the Secured Creditors, in assets in which, in accordance with the UCC or any other applicable legal requirement a security interest can be perfected by possession or control. Should any Lender (other than the Collateral Agent) obtain possession or control of any such Collateral, such Lender shall notify the Collateral Agent thereof, and, promptly following the Collateral Agent's request therefor, shall deliver such Collateral to the Collateral Agent or otherwise deal with such Collateral in accordance with the Collateral Agent's instructions.

11.02. Nature of Duties. The Administrative Agent shall not have any duties or responsibilities except those expressly set forth in this Agreement and in the other Credit Documents. Neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or omitted by it or

them hereunder or under any other Credit Document or in connection herewith or therewith (a) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Section 12.12) or (b) in the absence of its or their gross negligence, bad faith or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision). The duties of the Administrative Agent shall be mechanical and administrative in nature; the Administrative Agent shall not have by reason of this Agreement or any other Credit Document a fiduciary relationship in respect of any Lender or any Bank Product Provider; and nothing in this Agreement or in any other Credit Document, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect of this Agreement or any other Credit Document except as expressly set forth herein or therein.

The Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by the Credit Documents that the Administrative Agent is required to exercise in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 12.12); provided, that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability, if the Administrative Agent is not indemnified to its satisfaction, or that is contrary to any Credit Document or applicable legal requirements including, for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may affect a foreclosure, modification or termination of property of a Lender or Bank Product Provider in default under this Agreement under any Debtor Relief Law.

11.03. Lack of Reliance on the Administrative Agent. Independently and without reliance upon the Administrative Agent or the Collateral Agent, each Lender and each Bank Product Provider, to the extent it deems appropriate, has made and shall continue to make (i) its own independent investigation of the financial condition and affairs of the Administrative Borrower and its Restricted Subsidiaries in connection with the purchase of the Loan, the making and the continuance of the Loans and the taking or not taking of any action in connection herewith and (ii) its own appraisal of the creditworthiness of the Administrative Borrower and its Restricted Subsidiaries and, except as expressly provided in this Agreement, neither the Administrative Agent nor the Collateral Agent shall have any duty or responsibility, either initially or on a continuing basis, to provide any Lender or any Bank Product Provider with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter. Each of the Lenders and each Bank Product Provider represents and warrants that it has reviewed each document made available to it on the Platform in connection with this Agreement and has acknowledged and accepted the terms and conditions applicable to the recipients thereof (including any such terms and conditions set forth, or otherwise maintained, on the Platform with respect thereto).

None of the Administrative Agent or the Collateral Agent shall be responsible to any Lender or any Bank Product Provider for any recitals, statements, information, representations or warranties herein or in any document, certificate or other writing delivered in connection herewith or for the execution, effectiveness, genuineness, validity, enforceability, perfection, collectability, priority or sufficiency of this Agreement or any other Credit Document or the financial condition of the Administrative Borrower or any of its Subsidiaries or be required to make any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of this Agreement or any other Credit Document, or the financial condition of the Administrative Borrower or any of its Subsidiaries or the existence or possible existence of any Default or Event of Default. Neither the Administrative Agent nor the Collateral Agent shall be deemed not to have knowledge of any Default unless and until written notice describing such Default is given to such Person by the Administrative Borrower or a Lender. Each party to this Agreement acknowledges and agrees that the Administrative Agent and the Collateral Agent may from time to time use one or more outside service providers for the tracking of all UCC financing statements (and/or other collateral related filings and registrations from time to time) required to be filed or recorded pursuant to the Credit Documents and the notification to the Administrative Agent or the Collateral Agent, of, among other

things, the upcoming lapse or expiration thereof, and that each of such service providers will be deemed to be acting at the request and on behalf of the Borrowers and the other Credit Parties.

11.04. Certain Rights of the Administrative Agent. If the Administrative Agent requests instructions from the Required Lenders with respect to any act or action (including failure to act) in connection with this Agreement or any other Credit Document, the Administrative Agent shall be entitled to refrain from such act or taking such action unless and until the Administrative Agent shall have received instructions from the Required Lenders; and the Administrative Agent shall not incur liability to any Lender or any Bank Product Provider by reason of so refraining. Without limiting the foregoing, neither any Lender nor any Bank Product Provider shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting hereunder or under any other Credit Document in accordance with the instructions of the Required Lenders.

11.05. Reliance. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any note, writing, resolution, notice, statement, certificate, telex, teletype or telecopier message, cablegram, radiogram, order or other document (including any electronic message, Internet or intranet website posting or other distribution) or telephone message signed, sent or made by any Person that the Administrative Agent believed to be the proper Person, and, with respect to all legal matters pertaining to this Agreement and any other Credit Document and its duties hereunder and thereunder, upon advice of counsel selected by the Administrative Agent. In determining compliance with any condition hereunder to the making of a Loan that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received written notice to the contrary from such Lender prior to the making of such Loan.

11.06. Indemnification. To the extent the Administrative Agent (or any Related Party thereof) is not reimbursed and indemnified by the Borrowers, the Lenders will reimburse and indemnify the Administrative Agent (and any Related Party thereof) in proportion to their respective "percentage" as used in determining the Required Lenders as in effect on the date on which indemnification is sought under this Section 11.06 (or, if indemnification is sought after the date upon which all Commitments shall have terminated and all of the Obligations (other than inchoate indemnification obligations) shall have been paid in full, in proportion to their respective "percentage" as used in determining the Required Lenders as in effect immediately prior to such date) for and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses or disbursements of whatsoever kind or nature which may be imposed on, asserted against or incurred by the Administrative Agent (or any Related Party thereof) in performing its duties hereunder or under any other Credit Document or in any way relating to or arising out of, the Commitments, this Agreement, any other Credit Document or any documents contemplated by or referred to herein or therein, the Transactions or any of the other transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent or Related Party under or in connection with any of the foregoing **(IN ALL CASES, WHETHER OR NOT CAUSED OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY OR SOLE NEGLIGENCE OF THE ADMINISTRATIVE AGENT OR ANY OF ITS RELATED PARTIES)**; provided, that no Lender shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, claims, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable judgment of a court of competent jurisdiction to have directly resulted solely and directly from the Administrative Agent's or Related Party's, as the case may be, gross negligence, bad faith or willful misconduct. The agreements in this Section 11.06 shall survive the payment of the Loans and all other amounts payable hereunder.

11.07. The Administrative Agent in its Individual Capacity. With respect to its obligation to make Loans under this Agreement, the Administrative Agent shall have the rights and powers specified herein for a "Lender" and may exercise the same rights and powers as though it were not performing the duties



specified herein; and the term “Lender”, “Required Lenders” or any similar terms shall, unless the context clearly indicates otherwise, include the Administrative Agent in its respective individual capacities. The Administrative Agent and its affiliates may accept deposits from, lend money to, and generally engage in any kind of banking, investment banking, trust or other business with, or provide debt financing, equity capital or other services (including financial advisory services) to any Credit Party or any Affiliate of any Credit Party (or any Person engaged in a similar business with any Credit Party or any Affiliate thereof) as if they were not performing the duties specified herein, and may accept fees and other consideration from any Credit Party or any Affiliate of any Credit Party for services in connection with this Agreement and otherwise without having to account for the same to the Lenders.

11.08. Payments by the Administrative Agent to the Lenders. All payments to be made by the Administrative Agent to the Lenders (or Bank Product Providers) shall be made by bank wire transfer of immediately available funds pursuant to such wire transfer instructions as each party may designate for itself by written notice to the Administrative Agent. Concurrently with each such payment, the Administrative Agent shall identify whether such payment (or any portion thereof) represents principal, premium, fees, or interest of the Obligations.

11.09. Resignation by the Administrative Agent. (a) The Administrative Agent may resign from the performance of all its respective functions and duties hereunder and/or under the other Credit Documents at any time by giving 20 Business Days’ prior written notice to the Lenders and, unless an Event of Default under Section 10.05 then exists, the Borrowers.

(b) Upon any such notice of resignation by the Administrative Agent, the Required Lenders shall appoint a successor Administrative Agent hereunder or thereunder who shall be a commercial bank or trust company reasonably acceptable to the Borrowers, which acceptance shall not be unreasonably withheld or delayed (provided, that the Borrowers’ approval shall not be required if an Event of Default then exists).

(c) If a successor Administrative Agent shall not have been so appointed within such 20 Business Day period, the Administrative Agent, with the consent of the Borrowers (which consent shall not be unreasonably withheld or delayed; provided, that the Borrowers’ consent shall not be required if an Event of Default then exists), shall then appoint a successor Administrative Agent who shall serve as the Administrative Agent hereunder or thereunder until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided above.

(d) Whether or not a successor Administrative Agent has been appointed pursuant to clause (b) or (c) above by the 20th Business Day after the date such notice of resignation was given by the Administrative Agent (the “Resignation Effective Date”), the Administrative Agent’s resignation shall become effective and the Required Lenders shall thereafter perform all the duties of the Administrative Agent hereunder and/or under any other Credit Document until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided above. With effect from the Resignation Effective Date (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Credit Documents and (2) except for any indemnity payments or other amounts then owed to the retiring Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above.

(e) Upon a resignation of the Administrative Agent pursuant to this Section 11.09, the Administrative Agent, its sub-agents and its Related Parties shall remain indemnified to the extent provided in this Agreement and the other Credit Documents and the provisions of this Section 11 (and the analogous provisions of the other Credit Documents) shall continue in effect for the benefit of the Administrative

Agent its sub-agents and its Related Parties for all of their actions and inactions while serving as the Administrative Agent, its sub-agents and Related Parties.

11.10. Collateral Matters. (a) Each Lender and each Bank Product Provider authorizes and directs the Collateral Agent to enter into the Security Documents for the benefit of the Lenders, each Bank Product Provider and the other Secured Creditors. Each Lender hereby agrees, and each Bank Product Provider will be deemed to agree, that, except as otherwise set forth herein, any action taken by the Required Lenders in accordance with the provisions of this Agreement or the Security Documents, and the exercise by the Required Lenders of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of the Lenders and each Bank Product Provider. The Collateral Agent is hereby authorized on behalf of all of the Lenders and each Bank Product Provider, without the necessity of any notice to or further consent from any Lender or any Bank Product Provider, from time to time prior to the occurrence and continuance of an Event of Default, to take any action with respect to any Collateral or Security Documents which may be necessary to perfect and maintain perfected the security interest in and liens upon the Collateral granted pursuant to the Security Documents (if and to the extent such security interest is required to be perfected pursuant to such Security Documents).

(b) The Lenders and each Bank Product Provider hereby authorize the Collateral Agent, at its option and in its discretion, to release (or subordinate) any Lien granted to or held by the Collateral Agent upon any Collateral (i) upon termination of the Commitments and payment and satisfaction of all of the Obligations (other than inchoate indemnification obligations) at any time arising under or in respect of this Agreement or the Credit Documents or the transactions contemplated hereby or thereby, (ii) constituting property being sold or otherwise disposed of (to Persons other than the Administrative Borrower and its Restricted Subsidiaries) upon the sale or other disposition thereof in compliance with Section 9.02, (iii) if approved, authorized or ratified in writing by the Required Lenders (or all of the Lenders hereunder, to the extent required by Section 12.12), (iv) owned by a Subsidiary Guarantor upon release of such Subsidiary Guarantor from its obligations under its Guaranty in accordance with the terms thereof, (v) as otherwise may be expressly provided in the relevant Security Documents or the last sentence of each of Sections 9.01 and 9.02 or (vi) upon designation of a Restricted Subsidiary as an Unrestricted Subsidiary in accordance with the requirements of Section 8.14, with respect to Collateral of such Restricted Subsidiary. Upon request by the Administrative Agent at any time, the Lenders will confirm in writing the Collateral Agent's authority to release (or subordinate) particular types or items of Collateral pursuant to this Section 11.10. The Collateral Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Collateral Agent's Lien thereon, or any certificate prepared by any Credit Party in connection therewith, nor shall the Collateral Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

(c) Anything contained in any of the Credit Documents to the contrary notwithstanding, each Borrower, the Administrative Agent, the Collateral Agent and each Lender hereby agree (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to agree) that (i) no Secured Creditor shall have any right individually to realize upon any of the Collateral or to enforce any Guaranty, it being understood and agreed that all powers, rights and remedies hereunder and under any of the Credit Documents may be exercised solely by the Administrative Agent or the Collateral Agent, as applicable, for the benefit of the Secured Creditors in accordance with the terms hereof and thereof and all powers, rights and remedies under the Security Documents may be exercised solely by the Collateral Agent for the benefit of the Secured Creditors in accordance with the terms thereof, and (ii) in the event of a foreclosure or similar enforcement action by the Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition (including, without limitation, pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code), the Collateral Agent (or any

Lender, except with respect to a "credit bid" pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the Bankruptcy Code,) may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and the Collateral Agent, as agent for and representative of the Secured Creditors (but not any Lender or Lenders in its or their respective individual capacities) shall be entitled, upon instructions from the Required Lenders, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such sale or disposition, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by the Collateral Agent at such sale or other disposition.

(d) The Collateral Agent shall have no obligation whatsoever to the Secured Creditors or to any other Person to assure that the Collateral exists or is owned by any Credit Party or is cared for, protected or insured or that the Liens granted to the Collateral Agent herein or pursuant hereto have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to the Collateral Agent in this Section 11.10 or in any of the Security Documents, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, the Collateral Agent may act in any manner it may deem appropriate, in its sole discretion, given the Collateral Agent's own interest in the Collateral as one of the Lenders and that the Collateral Agent shall have no duty or liability whatsoever to the Secured Creditors, except for its gross negligence, bad faith or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision).

11.11. Administrative Agent may File Bankruptcy Disclosure and Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Laws relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrowers) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(i) to file a verified statement pursuant to rule 2019 of the Federal Rules of Bankruptcy Procedure that, in its sole opinion, complies with such rule's disclosure requirements for entities representing more than one creditor;

(ii) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent allowed in such judicial proceeding; and

(iii) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents, Related Parties and counsel, and any other amounts due the Administrative Agent under this Agreement. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Administrative Agent, its agents, Related Parties and counsel, and any other amounts due the Administrative Agent under this Agreement out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all

distributions, dividends, money, securities and other properties that the Lenders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise.

(b) Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding.

11.12. Delivery of Information; Lender's Acknowledgement (a) The Administrative Agent shall not be required to deliver to any Lender originals or copies of any documents, instruments, notices, communications or other information received by the Administrative Agent from any Credit Party, any Restricted Subsidiary, the Required Lenders, any Lender or any other Person under or in connection with this Agreement or any other Credit Document except (i) as specifically provided in this Agreement or any other Credit Document and (ii) as specifically requested from time to time in writing by any Lender with respect to a specific document, instrument, notice or other written communication received by and in the possession of the Administrative Agent at the time of receipt of such request and then only in accordance with such specific request.

(b) Each Lender, by delivering its signature page to this Agreement or an Assignment and Assumption Agreement and funding its Loan shall be deemed to have acknowledged receipt of, and consented to and approved (and by entering into a Bank Product Agreement, each Bank Product Provider shall be deemed to have acknowledged receipt of, and consented to and approved, each Credit Document and each other document required to be approved by the Administrative Agent, the Required Lenders or the Lenders, as applicable, on the Effective Date), each Credit Document and each other document required to be approved by the Administrative Agent, the Required Lenders or the Lenders, as applicable, on the Effective Date.

11.13. Subordination of Liens; Revolver Intercreditor Agreement. Notwithstanding any provision in this Agreement or the other Credit Documents, each of the Secured Creditors irrevocably (a) authorizes and instructs the Administrative Agent and/or Collateral Agent enter into the Revolver Intercreditor Agreement and to subordinate any Lien on any property that is not ABL Priority Collateral (as defined in the Revolver Intercreditor Agreement as in effect on the date hereof) granted to or held by the Administrative Agent and/or Collateral Agent under any Credit Document pursuant to the Revolver Intercreditor Agreement to the holder of any Lien on such property that secures Indebtedness under the Parity Lien Documents or Junior Lien Documents permitted under Section 9.04 and (b) agrees that it will be bound by and will take no actions contrary to the provisions of the Revolver Intercreditor Agreement.

11.14. [Reserved].

11.15. Field Examination Reports; Confidentiality; Disclaimers by Lenders; Other Reports and Information By becoming a party to this Agreement, each Lender:

(a) is deemed to have requested that the Administrative Agent furnish such Lender, promptly after it becomes available, a copy of each field examination report respecting the Administrative Borrower or its Subsidiaries (each, a "Report") prepared by or at the request of the Administrative Agent, and the Administrative Agent shall so furnish each Lender with such Reports,

(b) expressly agrees and acknowledges that the Administrative Agent does not (i) make any representation or warranty as to the accuracy of any Report, and (ii) shall not be liable for any information contained in any Report,

(c) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that the Administrative Agent or other party performing any field examination will inspect only specific information regarding the Administrative Borrower and its Subsidiaries and will rely significantly upon the Administrative Borrower's and its Subsidiaries' books and records, as well as on representations of the Borrowers' personnel,

(d) agrees to keep all Reports and other material, non-public information regarding the Administrative Borrower and its Subsidiaries and their operations, assets, and existing and contemplated business plans in a confidential manner in accordance with Section 12.16, and

(e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold the Administrative Agent and any other Lender preparing a Report harmless from any action the indemnifying Lender may take or fail to take or any conclusion the indemnifying Lender may reach or draw from any Report in connection with any loans or other credit accommodations that the indemnifying Lender has made or may make to the Borrowers, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a loan or loans of the Borrowers, and (ii) to pay and protect, and indemnify, defend and hold the Administrative Agent, and any such other Lender preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including, attorneys' fees and costs) incurred by the Administrative Agent and any such other Lender preparing a Report as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

(f) In addition to the foregoing, (i) any Lender may from time to time request of the Administrative Agent in writing that the Administrative Agent provide to such Lender a copy of any report or document provided by the Administrative Borrower or its Subsidiaries to the Administrative Agent that has not been contemporaneously provided by the Administrative Borrower or such Subsidiary to such Lender, and, upon receipt of such request, the Administrative Agent promptly shall provide a copy of same to such Lender, (ii) to the extent that the Administrative Agent is entitled, under any provision of the Credit Documents, to request additional reports or information from the Administrative Borrower or its Subsidiaries, any Lender may, from time to time, reasonably request the Administrative Agent to exercise such right as specified in such Lender's notice to the Administrative Agent, whereupon the Administrative Agent promptly shall request of the Administrative Borrower the additional reports or information reasonably specified by such Lender, and, upon receipt thereof from the Administrative Borrower or such Subsidiary, the Administrative Agent promptly shall provide a copy of same to such Lender, and (iii) any time that the Administrative Agent renders to the Administrative Borrower a statement regarding the Loan Account, the Administrative Agent shall send a copy of such statement to each Lender.

#### SECTION 12. Miscellaneous

12.01. Payment of Expenses, etc. (a) The Borrowers hereby agree to: (i) pay all reasonable documented out-of-pocket costs and expenses of the Administrative Agent (including, without limitation, the reasonable fees and disbursements of Latham & Watkins LLP and one local counsel to the Administrative Agent in each relevant material jurisdiction and one regulatory counsel) in connection with the preparation, execution, delivery and administration (including, without limitation, the Administrative Agent's customary fees and charges (as adjusted from time to time) with respect to the disbursement or receipt of funds) of this Agreement and the other Credit Documents and the documents and instruments referred to herein and therein, the administration of the Credit Events and Commitments, the perfection and maintenance of the Liens securing the Collateral and any amendment, waiver or consent relating hereto or thereto, of the Administrative Agent, and each of the Administrative Agent and the Lenders in connection with the enforcement of, or protection of their rights under, this Agreement and the other Credit Documents and the documents and instruments referred to herein and therein or in connection with any refinancing or

restructuring of the credit arrangements provided under this Agreement in the nature of a “work-out” or pursuant to any insolvency or bankruptcy proceedings (limited to one additional counsel for all such parties, taken as a whole, one local counsel for all such parties, taken as a whole, in each relevant material jurisdiction and one regulatory counsel and, solely in the case of an actual or potential conflict of interests among such parties, one additional counsel in each relevant jurisdiction to each group of affected parties similarly situated, taken as a whole); (ii) pay all (A) customary charges imposed or incurred by the Administrative Agent resulting from the dishonor of checks payable by or to any Credit Party, (B) reasonable and documented out-of-pocket field examination, appraisal, and valuation fees and expenses of the Administrative Agent related to any field examinations, appraisals, or valuations to the extent of the fees and charges (and up to the amount of any limitation) contained in Section 4.6 of this Agreement, plus a per diem charge at the Administrative Agent’s then standard rate for the Administrative Agent’s examiners in the field and office (which rate as of the Effective Date is \$1,000 per person per day), and a one-time charge at the Administrative Agent’s then standard rate for the establishment of electronic collateral reporting systems, and (C) reasonable fees, charges, commissions, costs and expenses for amendments, renewals, extensions, transfers, or drawings from time to time charged by the Issuing Lender or incurred or charged by Issuing Lender in respect of Letters of Credit and reasonable and documented out-of-pocket fees, costs, and expenses charged by the Issuing Lender or incurred or charged by Issuing Lender in connection with the issuance, amendment, renewal, extension, or transfer of, or drawing under, any Letter of Credit or any demand for payment thereunder; and (iii) indemnify the Administrative Agent and each Lender, and each of their respective Related Parties (each, an “Indemnified Person”) from and hold each of them harmless against any and all liabilities, obligations (including removal or remedial actions), actual losses, damages, penalties, claims, actions, judgments, suits, costs, expenses and disbursements (including reasonable out-of-pocket fees and disbursements of one primary counsel, one local counsel in each relevant jurisdiction and, solely in the case of a conflict of interest as determined by the affected Indemnified Person, one additional counsel in each applicable jurisdiction to the affected Indemnified Person, taken as a whole) incurred by, imposed on or assessed against any of them as a result of, or arising out of, or in any way related to, or by reason of, (A) any investigation, litigation or other proceeding (whether or not the Administrative Agent or any Lender is a party thereto and whether or not such investigation, litigation or other proceeding is brought by or on behalf of any Credit Party, their respective equityholders, Affiliates, creditors or any other third person) related to the entering into and/or performance of this Agreement or any other Credit Document or the proceeds of any Loans hereunder or the consummation of the Transaction or any other transactions contemplated herein or in any other Credit Document or the exercise of any of their rights, duties or remedies provided herein or in the other Credit Documents (including the performance by the Administrative Agent of its duties under Section 12.15), or (B) the actual or alleged presence of Hazardous Materials in the air, surface water or groundwater or on the surface or subsurface of any Real Property at any time owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries, the generation, storage, transportation, handling or disposal of Hazardous Materials by the Administrative Borrower or any of its Restricted Subsidiaries at any location, whether or not owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries, the non-compliance by the Administrative Borrower or any of its Restricted Subsidiaries with any Environmental Law (including applicable permits thereunder) applicable to any Real Property, or any Environmental Claim, asserted against the Administrative Borrower, any of its Restricted Subsidiaries or any Real Property at any time owned, leased or operated by the Administrative Borrower or any of its Restricted Subsidiaries, including, in each case, without limitation, the reasonable fees and disbursements of counsel and other consultants incurred in connection with any such investigation, litigation or other proceeding; provided, that, notwithstanding the foregoing, such indemnity shall not, as to any Indemnified Person, be available to the extent that such liabilities, obligations, actual losses, damages, penalties, claims, demands, actions, judgments, suits, reasonable out-of-pocket costs, expenses or disbursements resulted from (x) the gross negligence, bad faith or willful misconduct of such Indemnified Person or of any Affiliate, director, officer, employee, counsel, agent or attorney-in-fact of such Indemnified Person, as determined by the final non-appealable judgment of a court of competent jurisdiction, (y) a material breach

of its obligations under the Credit Documents by such Indemnified Person or of any Affiliate, director, officer, employee, counsel, agent or attorney-in-fact of such Indemnified Person as determined by the final non-appealable judgment of a court of competent jurisdiction and (z) any dispute solely among Indemnified Persons other than claims against the Administrative Agent, any Lender or any of their Affiliates in its capacity or in fulfilling its role as the Administrative Agent or other similar role hereunder and under any of the other Credit Documents (other than claims arising out of any act or omission of the Administrative Borrower or any of its Restricted Subsidiaries). To the extent that the undertaking to indemnify, pay or hold harmless the Administrative Agent or any Lender set forth in the preceding sentence may be unenforceable because it is violative of any law or public policy, the Borrowers shall make the maximum contribution to the payment and satisfaction of each of the indemnified liabilities which is permissible under applicable law. Notwithstanding anything to the contrary contained in this Section 12.01, so long as no Event of Default exists and is continuing, any payments required under this clause (a) shall be due thirty (30) days after receipt of a detailed invoice for such costs and expenses. Notwithstanding anything to the contrary, this Section 12.01 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) To the full extent permitted by applicable law, each party hereto shall not assert, and hereby waives, any claim against any each other party, on any theory of liability, for special, indirect, consequential or incidental damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof; provided, however, that the foregoing provisions shall not relieve the Borrowers of their indemnification obligations as provided in Section 12.01(a) to the extent any Indemnified Person is found liable for any such damages (as determined by a court of competent jurisdiction in a final and non-appealable decision). No Indemnified Person shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby, except to the extent the liability of such Indemnified Person results from such Indemnified Person's gross negligence, bad faith or willful misconduct (as determined by a court of competent jurisdiction in a final and non-appealable decision).

(c) The Borrowers agree that, without the prior written consent of the Administrative Agent and any affected Lender, which consent(s) will not be unreasonably withheld, the Credit Parties will not enter into any settlement of a claim in respect of the subject matter of clause (iii) of Section 12.01(a) unless such settlement includes an explicit and unconditional release from the party bringing such claim of all Indemnified Persons.

(d) The provisions of this Section 12.01 shall remain operative and in full force and effect regardless of the expiration of the term of this Agreement, the consummation of the Transactions and the other transactions contemplated hereby, the repayment of the Loans and any other Obligations, the release of any Subsidiary Guarantor or of all or any portion of the Collateral, the expiration of the Commitments, the invalidity or unenforceability of any term or provision of this Agreement or any other Credit Document, or any investigation made by or on behalf of the Administrative Agent or any Lender.

12.02. Right of Setoff. (a) In addition to any rights now or hereafter granted under applicable law or otherwise, and not by way of limitation of any such rights, upon the occurrence and during the continuance of an Event of Default, the Administrative Agent and each Lender is hereby authorized at any time or from time to time, without presentment, demand, protest or other notice of any kind to any Credit Party or to any other Person, any such notice being hereby expressly waived, to set off and to appropriate and apply any and all deposits (general or special) (other than accounts used for payroll, taxes, fiduciary and trust purposes, and employee benefits) and any other Indebtedness at any time held or owing by the

Administrative Agent or such Lender (including, without limitation, by branches and agencies of the Administrative Agent or such Lender wherever located) to or for the credit or the account of the Administrative Borrower or any of its Restricted Subsidiaries against and on account of the Obligations and liabilities of the Credit Parties to the Administrative Agent or such Lender under this Agreement or under any of the other Credit Documents, including, without limitation, all interests in Obligations purchased by such Lender pursuant to Section 12.04(b), and all other claims of any nature or description arising out of or connected with this Agreement or any other Credit Document, irrespective of whether or not the Administrative Agent or such Lender shall have made any demand hereunder and although said Obligations, liabilities or claims, or any of them, shall be contingent or unmatured; provided, that any recovery by any Lender or its Affiliates pursuant to its setoff rights under this Section 12.02 is subject to the provisions of Section 12.06(d).

12.03. Notices, Electronic Communications. (a) Except as otherwise expressly provided herein, all notices and other communications provided for hereunder shall be in writing (including telegraphic, telecopier or cable communication) and mailed, telegraphed, telecopied, cabled or delivered: if to any Credit Party, at the address specified opposite its signature below or in the other relevant Credit Documents; if to any Lender, at its address specified on Schedule 12.03; and if to the Administrative Agent, at the Notice Office; or, as to any Credit Party or the Administrative Agent, at such other address as shall be designated by such party in a written notice to the other parties hereto and, as to each Lender, at such other address as shall be designated by such Lender in a written notice to the Administrative Borrower and the Administrative Agent. All such notices and communications shall, when mailed, telegraphed, telecopied, or cabled or sent by overnight courier, be effective when deposited in the mails, delivered to the telegraph company, cable company or overnight courier, as the case may be, or sent by telecopier; except, that notices and communications to the Administrative Agent and the Borrowers shall not be effective until received by the Administrative Agent or the Borrowers, as the case may be. As agreed to among the Administrative Borrower, the Administrative Agent and the applicable Lenders from time to time, notices and other communications may also be delivered by e-mail to the e-mail address of a representative of the applicable Person provided from time to time by such Person.

(b) The Administrative Borrower hereby agrees, unless directed otherwise by the Administrative Agent or unless the electronic mail address referred to below has not been provided by the Administrative Agent to the Administrative Borrower, that it will, or will cause its Subsidiaries to, provide to the Administrative Agent all information, documents and other materials that it is obligated to furnish to the Administrative Agent pursuant to the Credit Documents or to the Lenders under Section 8, including all notices, requests, financial statements, financial and other reports, certificates and other information materials, but excluding any such communication that (i) is or relates to a Notice of Borrowing or a Notice of Conversion/Continuation, (ii) relates to the payment of any principal or other amount due under this Agreement prior to the scheduled date therefor, (iii) provides notice of any Default or Event of Default under this Agreement or any other Credit Document or (iv) is required to be delivered to satisfy any condition precedent to the effectiveness of this Agreement and/or any Borrowing or other extension of credit hereunder (all such non-excluded communications being referred to herein collectively as "Communications"), by transmitting the Communications in an electronic/soft medium that is properly identified in a format acceptable to the Administrative Agent to an electronic mail address as directed by the Administrative Agent. In addition, the Administrative Borrower agrees, and agrees to cause its Subsidiaries, to continue to provide the Communications to the Administrative Agent or the Lenders, as the case may be, in the manner specified in the Credit Documents but only to the extent requested by the Administrative Agent.

(c) The Borrowers hereby acknowledge that (a) the Administrative Agent will make available to the Lenders materials and/or information provided by or on behalf of the Borrowers hereunder (collectively, the "Borrower Materials") by posting the Borrower Materials on Intralinks, SyndTrak or



another similar electronic system (the "Platform") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to the Administrative Borrower, its Subsidiaries or their securities) (each, a "Public Lender"). The Borrowers hereby agree that (w) all the Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking the Borrower Materials "PUBLIC," the Borrowers shall be deemed to have authorized the Administrative Agent and the Lenders to treat such the Borrower Materials as not containing any material non-public information with respect to the Administrative Borrower or its securities for purposes of United States federal and state securities laws (provided, however, that to the extent such the Borrower Materials constitute Information, they shall be treated as set forth in Section 12.16); (y) all the Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated as "Public Investor;" and (z) the Administrative Agent shall be entitled to treat the Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not marked as "Public Investor." Notwithstanding the foregoing, the following the Borrower Materials shall be marked "PUBLIC", unless the Administrative Borrower notifies the Administrative Agent promptly that any such document contains material non-public information: (1) the Credit Documents and (2) notification of changes in the terms of this Agreement or the other Credit Documents.

(d) Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United States Federal and state securities laws, to make reference to Communications that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Administrative Borrower or its securities for purposes of United States Federal or state securities laws. The Borrowers agree to use all commercially reasonable efforts to mark any document provided under Section 8.01(a), (b) and (e) "PUBLIC."

(e) THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE". NEITHER THE ADMINISTRATIVE AGENT NOR ANY OF ITS RELATED PARTIES WARRANTS THE ACCURACY OR COMPLETENESS OF THE COMMUNICATIONS OR THE ADEQUACY OF THE PLATFORM AND EACH EXPRESSLY DISCLAIMS LIABILITY FOR ERRORS OR OMISSIONS IN THE COMMUNICATIONS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS IS MADE BY THE ADMINISTRATIVE AGENT OR ANY OF ITS RELATED PARTIES IN CONNECTION WITH THE COMMUNICATIONS OR THE PLATFORM. IN NO EVENT SHALL THE ADMINISTRATIVE AGENT OR ANY OF ITS RELATED PARTIES HAVE ANY LIABILITY TO ANY CREDIT PARTY, ANY LENDER OR ANY OTHER PERSON FOR DAMAGES OF ANY KIND, WHETHER OR NOT BASED ON STRICT LIABILITY AND INCLUDING DIRECT OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES (WHETHER IN TORT, CONTRACT OR OTHERWISE) ARISING OUT OF ANY CREDIT PARTY'S OR THE ADMINISTRATIVE AGENT'S TRANSMISSION OF COMMUNICATIONS THROUGH THE INTERNET, EXCEPT TO THE EXTENT THE LIABILITY OF ANY SUCH PERSON IS FOUND IN A FINAL RULING BY A COURT OF COMPETENT JURISDICTION TO HAVE RESULTED PRIMARILY FROM SUCH PERSON'S GROSS NEGLIGENCE, BAD FAITH OR WILLFUL MISCONDUCT.

(f) The Administrative Agent agrees that the receipt of the Communications by the Administrative Agent at its e-mail address set forth above shall constitute effective delivery of the

Communications to the Administrative Agent for purposes of the Credit Documents. Each Lender agrees that receipt of notice to it (as provided in the next sentence) specifying that the Communications have been posted to the Platform shall constitute effective delivery of the Communications to such Lender for purposes of the Credit Documents. Each Lender agrees to notify the Administrative Agent in writing (including by electronic communication) from time to time of such Lender's e-mail address to which the foregoing notice may be sent by electronic transmission and that the foregoing notice may be sent to such e-mail address.

(g) Nothing herein shall prejudice the right of the Administrative Agent or any Lender to give any notice or other communication pursuant to any Credit Document in any other manner specified in such Credit Document.

12.04. Benefit of Agreement; Assignments; Participations. (a) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective permitted successors and assigns of the parties hereto; provided, however, the Borrowers may not assign or transfer any of their rights, obligations or interest hereunder without the prior written consent of the Lenders; provided, further, that, although any Lender may grant participations to Eligible Transferees in its rights hereunder, such Lender shall remain a "Lender" for all purposes hereunder (and may not transfer or assign all or any portion of its Commitments hereunder except as provided in Sections 2.12 and 12.04(b)) and the participant shall not constitute a "Lender" hereunder; provided, further, that no Lender shall transfer or grant any participation (A) under which the participant shall have rights to approve any amendment to or waiver of this Agreement or any other Credit Document except to the extent such amendment or waiver would (i) extend the final scheduled maturity of any Loan in which such participant is participating, or reduce the rate or extend the time of payment of interest or Fees thereon (except in connection with a waiver of applicability of any post-default increase in interest rates, which shall not be considered to be a reduction in the rate of interest or fees) or reduce the principal amount thereof, or increase the amount of the participant's participation over the amount thereof then in effect (it being understood that a waiver of any Default or Event of Default or of a mandatory reduction in the Total Commitment or a mandatory prepayment of the Loans shall not constitute a change in the terms of such participation, and that an increase in any Commitment (or the available portion thereof) or Loan shall be permitted without the consent of any participant if the participant's participation is not increased as a result thereof), (ii) consent to the assignment or transfer by any Borrower of any of its rights and obligations under this Agreement or (iii) release all or substantially all of the Collateral under all of the Security Documents (except as expressly provided in the Credit Documents, including any Security Document) supporting the Loans hereunder in which such participant is participating and (B) to the Administrative Borrower or any of its Restricted Subsidiaries or Affiliates. In the case of any such participation, the participant shall not have any rights under this Agreement or any of the other Credit Documents (the participant's rights against such Lender in respect of such participation to be those set forth in the agreement executed by such Lender in favor of the participant relating thereto) and all amounts payable by the Borrowers hereunder shall be determined as if such Lender had not sold such participation. Notwithstanding the foregoing, the Borrowers agree that each participant shall be entitled to the benefits of Section 2.10(c) and Section 4.04 (subject to the requirements and limitations therein, including the requirements in Section 4.04(f) (it being understood that the documentation required under Section 4.04(f) shall be delivered to the participating Lender)) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 12.04(b); provided that such participant (A) agrees to be subject to the provisions of Section 2.12 as if it were an assignee under Section 12.04(b); and (B) shall not be entitled to receive any greater payment under Section 2.10(c) or Section 4.04 with respect to any participation than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(b) Notwithstanding the foregoing, any Lender (or any Lender together with one or more other Lenders) may (x) assign all or a portion of its Commitments and related outstanding Obligations

hereunder to (i)(A) its parent company and/or any Affiliate of such Lender which is at least fifty percent (50%) owned by such Lender or its parent company or (B) to one or more other Lenders or any Affiliate of any such other Lender which is at least fifty percent (50%) owned by such other Lender or its parent company (provided, that any Related Fund shall be treated as an affiliate of such other Lender for the purposes of this sub-clause (x)(i)(B))), or (ii) in the case of any Lender that is a fund or commingled investment vehicle that invests in bank loans, any Related Fund, in each case, to the extent such assignee is an Eligible Transferee or (y) assign all, or if less than all, a portion equal to at least \$1,000,000 (or such lesser amount as the Administrative Agent and, so long as no Event of Default under Section 10.01 or 10.05 then exists and is continuing, the Administrative Borrower may otherwise agree) in the aggregate for the assigning Lender or assigning Lenders, of such Commitments and related outstanding Obligations hereunder to one or more Eligible Transferees (treating any fund or commingled investment vehicle that invests in bank loans and any Related Fund as a single assignor or Eligible Transferee (as applicable) (if any) for purposes of determining whether the minimum assignment requirement is met), each of which assignees shall become a party to this Agreement as a Lender by execution of an Assignment and Assumption Agreement (by which such assignee represents and warrants that it is an Eligible Transferee legally authorized to enter into such Assignment and Assumption Agreement); provided, that (i) at such time, Schedule 1.01A shall be deemed modified to reflect the Commitments and/or outstanding Loans, as the case may be, of such new Lender and of the existing Lenders, (ii) [Intentionally Omitted], (iii) the consent of the Administrative Agent and, so long as no Event of Default under Section 10.01 or 10.05 then exists and is continuing, the Administrative Borrower, shall be required in connection with any such assignment pursuant to clause (y) above; provided, that the Administrative Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof, (iv) unless waived by the Administrative Agent, the Administrative Agent shall receive at the time of each such assignment, from the assigning or assignee Lender, the payment of a non-refundable assignment fee of \$3,500 (provided, that only one such fee shall be payable in the case of one or more concurrent assignments by or to investment funds managed or advised by the same investment advisor or an affiliated investment advisor), (v) no such transfer or assignment will be effective until recorded by the Administrative Agent on the Register pursuant to Section 12.15, (vi) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire (in which the assignee shall designate one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Credit Parties and their Related Parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws), and (vii) notwithstanding the foregoing or anything to the contrary set forth herein, no assignment of any Loans or Commitments may be made to the Administrative Borrower, any Subsidiary or Affiliates of the Administrative Borrower. To the extent of any assignment pursuant to this Section 12.04(b), the assigning Lender shall be relieved of its obligations hereunder with respect to its assigned Commitments and outstanding Loans. At the time of each assignment pursuant to this Section 12.04(b) to a Person which is not already a Lender hereunder, the respective assignee Lender shall, to the extent legally entitled to do so, provide to the Administrative Borrower and the Administrative Agent the appropriate IRS Forms and any other certificates described in Section 4.04. To the extent that an assignment of all or any portion of a Lender's Commitments and related outstanding Obligations pursuant to this Section 12.04(b) would, at the time of such assignment, result in increased costs under Section 2.10 or 4.04 from those being charged by the respective assigning Lender prior to such assignment, then the Borrowers shall not be obligated to pay such increased costs (although the Borrowers, in accordance with and pursuant to the other provisions of this Agreement, shall be obligated to pay any other increased costs of the type described above resulting from changes after the date of the respective assignment).

(c) Nothing in this Agreement shall prevent or prohibit any Lender from pledging its Loans hereunder to a Federal Reserve Bank in support of borrowings made by such Lender from such Federal Reserve Bank, any Lender which is a fund may pledge all or any portion of its Loans to its trustee

or to a collateral agent providing credit or credit support to such Lender in support of its obligations to such trustee, such collateral agent or a holder of such obligations, as the case may be. No pledge pursuant to this clause (c) shall release the transferor Lender from any of its obligations hereunder.

(d) Notwithstanding anything to the contrary contained herein, any Lender (a "Granting Lender") may grant to a special purpose funding vehicle (an "SPV"), identified as such in writing from time to time by the Granting Lender to the Administrative Agent and the Administrative Borrower, the option to provide to the Borrowers all or any part of any Loan that such Granting Lender would otherwise be obligated to make to the Borrowers pursuant to this Agreement; provided, that (i) nothing herein shall constitute a commitment by any SPV to make any Loan and (ii) if an SPV elects not to exercise such option or otherwise fails to provide all or any part of such Loan, the Granting Lender shall be obligated to make such Loan pursuant to the terms hereof. The making of a Loan by an SPV hereunder shall utilize the Commitment of the Granting Lender to the same extent, and as if, such Loan were made by such Granting Lender. Each party hereto hereby agrees that no SPV shall be liable for any indemnity or similar payment obligation under this Agreement (all liability for which shall remain with the Granting Lender). In furtherance of the foregoing, each party hereto hereby agrees (which agreement shall survive the termination of this Agreement) that, prior to the date that is one year and one day after the payment in full of all outstanding commercial paper or other senior indebtedness of any SPV, it will not institute against, or join any other Person in instituting against, such SPV any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings under the laws of the United States or any State thereof. In addition, notwithstanding anything to the contrary contained in this Section 12.04, any SPV may (i) with notice to, but without the prior written consent of, the Administrative Borrower and the Administrative Agent and without paying any processing fee therefor, assign all or a portion of its interests in any Loans to the Granting Lender or to any financial institutions (consented to by the Administrative Borrower and Administrative Agent) providing liquidity and/or credit support to or for the account of such SPV to support the funding or maintenance of Loans and (ii) disclose on a confidential basis any non-public information relating to its Loans to any rating agency, commercial paper dealer or provider of any surety, guarantee or credit or liquidity enhancement to such SPV.

(e) Any Lender which assigns all of its Commitments and/or Loans hereunder in accordance with Section 12.04(b) shall cease to constitute a "Lender" hereunder, except with respect to indemnification provisions under this Agreement (including, without limitation, Sections 2.10, 2.11(a), 4.04, 11.06, 12.01 and 12.06), which shall survive as to such assigning Lender.

(f) The Administrative Agent shall not be responsible or have any liability for, or have any duty to ascertain, inquire into, monitor or enforce, compliance with the provisions hereof relating to Disqualified Institutions. Without limiting the generality of the foregoing, the Administrative Agent shall not (x) be obligated to ascertain, monitor or inquire as to whether any Lender or participant or prospective Lender or participant is a Disqualified Institution or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Institution.

12.05. No Waiver; Remedies Cumulative. No failure or delay on the part of the Administrative Agent, the Collateral Agent or any Lender in exercising any right, power or privilege hereunder or under any other Credit Document and no course of dealing between any Borrower or any other Credit Party and the Administrative Agent, the Collateral Agent or any Lender shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or under any other Credit Document preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder or thereunder. The rights, powers and remedies herein or in any other Credit Document expressly provided are cumulative and not exclusive of any rights, powers or remedies which the Administrative Agent, the Collateral Agent or any Lender would otherwise have. No notice to or demand on any Credit Party in any

case shall entitle any Credit Party to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the Administrative Agent, the Collateral Agent or any Lender to any other or further action in any circumstances without notice or demand.

12.06. Payments Pro Rata. (a) Except as otherwise provided in this Agreement, the Administrative Agent agrees that promptly after its receipt of each payment from or on behalf of the Borrowers in respect of any Obligations hereunder, the Administrative Agent shall distribute such payment to the Lenders entitled thereto (other than any Lender that has consented in writing to waive its pro rata share of any such payment) pro rata based upon their respective shares, if any, of the Obligations with respect to which such payment was received.

(b) Each of the Lenders agrees that, except as otherwise provided in this Agreement, if it should receive any amount hereunder (whether by voluntary payment, by realization upon security, by the exercise of the right of setoff or banker's lien, by counterclaim or cross action, by the enforcement of any right under the Credit Documents), which is applicable to the payment of the principal of, or interest on, the Loans, of a sum which with respect to the related sum or sums received by other Lenders is in a greater proportion than the total of such Obligation then owed and due to such Lender bears to the total of such Obligation then owed and due to all of the Lenders immediately prior to such receipt, then such Lender receiving such excess payment shall purchase for cash without recourse or warranty from the other Lenders an interest in the Obligations of the respective Credit Party to such Lenders in such amount as shall result in a proportional participation by all the Lenders in such amount; provided, that if all or any portion of such excess amount is thereafter recovered from such Lenders, such purchase shall be rescinded and the purchase price restored to the extent of such recovery, but without interest.

12.07. Gaming Laws.

(a) Notwithstanding anything to the contrary in this Agreement or any other Credit Document, this Agreement and the other Credit Documents are subject to the Gaming Laws, where applicable. Without limiting the foregoing, each of the Administrative Agent and the Collateral Agent and each Lender acknowledges that (i) it may be called forward by any Gaming Authority, in its discretion, for licensing or a finding of suitability or to file or provide other information in order to remain entitled to the benefits of this Agreement or any other Credit Document, and (ii) certain rights and remedies under this Agreement and the other Credit Documents may be exercised only to the extent that the exercise thereof does not violate any applicable provisions of the Gaming Laws and only to the extent that any required approvals are obtained by the requisite Gaming Authorities and/or other requirements are satisfied under the applicable Gaming Laws.

Notwithstanding anything to the contrary in this Agreement or any other Credit Document, each of the Administrative Agent and the Collateral Agent and each Lender agrees to cooperate with each Gaming Authority in connection with the administration of its regulatory jurisdiction over the Borrowers and the other Credit Parties and their respective Subsidiaries, including, without limitation, the provision of such documents or other information as may be requested by any such Gaming Authorities relating to the Administrative Agent, the Collateral Agent, any Lender, any other Secured Creditor, any Credit Party or any of its Subsidiaries or to the Credit Documents.

12.08. GOVERNING LAW; SUBMISSION TO JURISDICTION; VENUE; WAIVER OF JURY TRIAL. (a) THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER AND THEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES). ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT

SHALL BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK, IN EACH CASE WHICH ARE LOCATED IN THE COUNTY OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT, EACH PARTY HERETO HEREBY IRREVOCABLY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS. EACH PARTY HERETO HEREBY FURTHER IRREVOCABLY WAIVES ANY CLAIM THAT ANY SUCH COURTS LACK PERSONAL JURISDICTION OVER SUCH PARTY, AND AGREES NOT TO PLEAD OR CLAIM, IN ANY LEGAL ACTION PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT BROUGHT IN ANY OF THE AFOREMENTIONED COURTS, THAT SUCH COURTS LACK PERSONAL JURISDICTION OVER SUCH PARTY. EACH PARTY HERETO FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO SUCH PARTY AT ITS ADDRESS SET FORTH OPPOSITE ITS SIGNATURE BELOW, SUCH SERVICE TO BECOME EFFECTIVE THIRTY (30) DAYS AFTER SUCH MAILING. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY OBJECTION TO SUCH SERVICE OF PROCESS AND FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY ACTION OR PROCEEDING COMMENCED HEREUNDER OR UNDER ANY OTHER CREDIT DOCUMENT THAT SERVICE OF PROCESS WAS IN ANY WAY INVALID OR INEFFECTIVE. NOTHING HEREIN SHALL AFFECT THE RIGHT OF (i) ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR (ii) THE ADMINISTRATIVE AGENT, ANY LENDER OR THE HOLDER OF ANY NOTE TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST ANY BORROWER IN ANY OTHER JURISDICTION.

(b) EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT IT MAY LEGALLY AND EFFECTIVELY DO SO, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY OF THE AFORESAID ACTIONS OR PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT BROUGHT IN THE COURTS REFERRED TO IN CLAUSE (a) ABOVE AND HEREBY FURTHER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

(c) EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE OTHER CREDIT DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER CREDIT DOCUMENTS, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 12.08(c).

12.09. Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed and delivered shall be an

original, but all of which shall together constitute one and the same instrument. A set of counterparts executed by all the parties hereto shall be lodged with the Administrative Borrower and the Administrative Agent.

12.10. Effectiveness. This Agreement shall become effective on the date (the "Effective Date") on which the Borrowers, the Administrative Agent and each of the Lenders shall have signed a counterpart hereof (whether the same or different counterparts) and shall have delivered (by electronic transmission or otherwise) the same to the Administrative Agent at the Notice Office or, in the case of the Lenders, shall have given to the Administrative Agent telephonic (confirmed in writing), written or telex notice (actually received) at such office that the same has been signed and mailed to it. The Administrative Agent will give the Borrowers and each Lender prompt written notice of the occurrence of the Effective Date.

12.11. Headings Descriptive. The headings of the several sections and subsections of this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement.

12.12. Amendment or Waiver, etc. (a) Neither this Agreement nor any other Credit Document nor any terms hereof or thereof may be changed, waived, discharged or terminated unless such change, waiver, discharge or termination is in writing signed by the respective Credit Parties party hereto or thereto and the Required Lenders (although additional parties may be added to (and annexes may be modified to reflect such additions), and Restricted Subsidiaries of the Administrative Borrower may be released from, the Guaranty and the Security Documents in accordance with the provisions hereof and thereof without the consent of the other Credit Parties party thereto or the Required Lenders); provided, that no such change, waiver, discharge or termination shall, without the consent, in the case of following clauses (i) through (vi), of each Lender (with Obligations being directly and adversely affected thereby in the case of following clauses (i)(y) and (vii) or whose Obligations are being extended in the case of following clause (i)(x)), in the case of following clause (vii), with the consent of the Super Majority Lenders, or, in the case of following clause (viii), each SPV being directly affected, (i)(x) extend the final scheduled maturity of any Loan, or (y) reduce the rate or extend the scheduled time of payment of interest or Fees thereon (except in connection with the waiver of applicability of any post-default increase in interest rates), or reduce (or forgive) the principal amount thereof, (ii) release or subordinate all or substantially all of the Collateral under the Security Documents or all or substantially all of the value of the Subsidiaries Guaranties (in each case, except as expressly provided in the Credit Documents, including any Security Document), (iii) amend, modify or waive any provision of this Section 12.12(a), (iv) reduce the "majority" voting threshold specified in the definition of Required Lenders, (v) consent to the assignment or transfer by the Borrowers of any of their rights and obligations under this Agreement, (vi) amend, modify or waive any provision of Section 12.06, Section 6.4 of the Security Agreement or Section 9 of the Pledge Agreement (or the corresponding section of any Additional Security Document), (vii) amend, modify, or eliminate the definition of Borrowing Base or any of the defined terms (including the definitions of Eligible Accounts) that are used in such definition to the extent that any such change results in more credit being made available to the Borrowers based upon the Borrowing Base, but not otherwise, or the definition of Revolving Loan Limit, or (viii) modify the protections afforded to an SPV pursuant to the provisions of Section 12.04(d); provided, further, that no such change, waiver, discharge or termination shall (1) increase the Commitments of any Lender over the amount thereof then in effect without the consent of such Lender (it being understood that waivers or modifications of conditions precedent, covenants, Defaults or Events of Default or of a mandatory reduction in the Total Commitment or a mandatory repayment of Loans shall not constitute an increase of the Commitment of any Lender, and that an increase in the available portion of any Commitment of any Lender shall not constitute an increase of the Commitment of such Lender), (2) without the consent of the Administrative Agent, amend, modify or waive any provision of Section 11 or any other provision as same relates to the rights or obligations of the Administrative Agent, or (3) without the consent of

Collateral Agent, amend, modify or waive any provision relating to the rights or obligations of the Collateral Agent.

(b) If, in connection with any proposed change, waiver, discharge or termination of or to any of the provisions of this Agreement as contemplated by clauses (i) through (vii), inclusive, of the first proviso to Section 12.12(a), the consent of the Required Lenders is obtained but the consent of one or more of such other Lenders whose consent is required is not obtained, then the Borrowers may, at their sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 12.04), all of its interests, rights (other than its existing rights to payments pursuant to Sections 2.10 and 3.04) and obligations under this Agreement and the related Credit Documents to one or more Eligible Transferees that shall assume such obligations (which assignee(s) may be another Lender, if a Lender accepts such assignment); provided that:

(i) the Borrowers shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);

(ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and any funding with respect to Letter of Credit Disbursements, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Credit Documents (including any amounts under Section 2.11) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts);

(iii) in the case of any such assignment resulting from a claim for compensation under Section 2.10 or payments required to be made pursuant to Section 4, such assignment will result in a reduction in such compensation or payments thereafter;

(iv) such assignment does not conflict with applicable laws; and

(v) in the case of an assignment resulting from a Lender becoming a non-consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

Each party hereto agrees that (a) an assignment required pursuant to this Section 12.12(b) may be effected pursuant to an Assignment and Assumption Agreement executed by the Administrative Borrower, the Administrative Agent and the assignee and (b) the Lender required to make such assignment need not be a party thereto in order for such assignment to be effective and shall be deemed to have consented to and be bound by the terms thereof; provided that, following the effectiveness of any such assignment, the other parties to such assignment agree to execute and deliver such documents necessary to evidence such assignment as reasonably requested by the applicable Lender; provided, further that any such documents shall be without recourse to or warranty by the parties thereto.

Notwithstanding anything in this Section 12.12(b) to the contrary, any Lender that acts as an Issuing Lender may not be replaced hereunder at any time it has any Letter of Credit outstanding hereunder unless the Borrowers provide Letter of Credit Collateralization.

(c) Notwithstanding the foregoing, any provision of this Agreement may be amended by an agreement in writing entered into by the Borrowers, the Required Lenders and the Administrative Agent if (i) by the terms of such agreement the Commitment of each Lender not consenting to the amendment provided for therein shall terminate upon the effectiveness of such amendment and (ii) at the time such amendment becomes effective, each Lender not consenting thereto receives payment (including



pursuant to an assignment to a replacement Lender in accordance with Section 12.04) in full of this principal of and interest accrued on each Loan made by it and all other amounts owing to it or accrued for its account under this Agreement.

(d) [Intentionally Omitted.]

(e) [Intentionally Omitted.]

(f) Notwithstanding anything to the contrary contained in this Section 12.12, (x) Security Documents (including any Additional Security Documents) and related documents executed by Subsidiaries in connection with this Agreement may be in a form reasonably determined by the Administrative Agent and may be amended, supplemented and waived with the consent of the Administrative Agent and the Administrative Borrower without the need to obtain the consent of any other Person if such amendment, supplement or waiver is delivered in order (i) to comply with local Law or advice of local counsel, (ii) to cure ambiguities, omissions, mistakes or defects or (iii) to cause such Security Document or other document to be consistent with this Agreement and the other Credit Documents and (y) if following the Effective Date, the Administrative Agent and any Credit Party shall have jointly identified an ambiguity, inconsistency, obvious error or any error or omission of a technical or immaterial nature, in each case, in any provision of the Credit Documents (other than the Security Documents), then the Administrative Agent and the Credit Parties shall be permitted to amend such provision and such amendment shall become effective without any further action or consent of any other party to any Credit Documents if the same is not objected to in writing by the Required Lenders within five (5) Business Days following receipt of notice thereof.

12.13. Survival. All covenants, agreements, representations and warranties made by the Credit Parties in the Credit Documents and in the reports, certificates or other instruments delivered in connection with or pursuant to this Agreement or any other Credit Document shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of the Credit Documents and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Collateral Agent, any Issuing Lender or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as any Obligation (other than any contingent obligation) or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Sections 2.10, 2.11(a), 4.04, 11, 12.01 and 12.08 shall survive the execution, delivery and termination of this Agreement and the making and repayment of the Obligations.

12.14. Domicile of Loans. Each Lender may transfer and carry its Loans at, to or for the account of any office, Restricted Subsidiary or Affiliate of such Lender. Notwithstanding anything to the contrary contained herein, to the extent that a transfer of Loans pursuant to this Section 12.14 would, at the time of such transfer, result in increased costs under Section 2.10, 2.11(a) or 4.04 from those being charged by the respective Lender prior to such transfer, then the Borrowers shall not be obligated to pay such increased costs (although the Borrowers shall be obligated to pay any other increased costs of the type described above resulting from changes after the date of the respective transfer).

12.15. Register. The Borrowers hereby designate the Administrative Agent to serve as their non-fiduciary agent, solely for purposes of this Section 12.15, to maintain at one of its offices a register (the "Register") on which it will record the names and addresses of the Lenders, and the Commitments from time to time of each of the Lenders, the Loans made by and amounts of principal and stated interest outstanding of each of the Lenders and each repayment in respect of the principal amount and interest of the Loans of each Lender. Failure to make any such recordation, or any error in such recordation, shall not

affect the Borrowers' obligations in respect of such Loans. The transfer of the Commitments of such Lender and the rights to the principal of, and interest on, any Loan made pursuant to such Commitments shall not be effective until such transfer is recorded on the Register maintained by the Administrative Agent with respect to ownership of such Commitments and Loans and prior to such recordation all amounts owing to the transferor with respect to such Commitments and Loans shall remain owing to the transferor. The registration of assignment or transfer of all or part of any Commitments and Loans shall be recorded by the Administrative Agent on the Register upon and only upon the acceptance by the Administrative Agent of a properly executed and delivered Assignment and Assumption Agreement pursuant to Section 12.04(b). Upon such acceptance and recordation, the assignee specified therein shall be treated as a Lender for all purposes of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the Loans are registered obligations and the right, title and interest of the Lenders in and to such Loans shall be transferable only in accordance with the terms hereof. This Section 12.15 shall be construed so that the Loans are at all times maintained in "registered form" within the meaning of Section 163(f), 871(h)(2) and 881(c)(2) of the Code.

Each Lender that sells a participation or is a Granting Lender shall, acting solely for this purpose as a nonfiduciary agent of the Borrowers, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's or SPV's interest in the Loans or other obligations under the Credit Documents (the "Participant Register"). No participation or grant to an SPV shall be effective unless it has been recorded in the Participant Register pursuant to this Section 12.15; provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any participant or any information relating to a participant's interest in any commitments, loans, letters of credit or its other obligations under any Credit Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for or portion of the Loan (if funded by an SPV), all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

12.16. Confidentiality. (a) Subject to the provisions of clause (b) of this Section 12.16, each Lender agrees that it will not disclose without the prior consent of the Administrative Borrower (other than to any of its Related Parties or counsel, or to another Lender if such Lender or such Lender's holding or parent company in its sole discretion determines that any such party should have access to such Information (as defined below); provided, that such Persons shall be instructed to keep such Information confidential pursuant to the terms of this Section 12.16 to the same extent as such Lender) any Information with respect to the Administrative Borrower or any of its Subsidiaries which is now or in the future furnished pursuant to this Agreement or any other Credit Document; provided, that any Lender may disclose any such Information (i) (x) as has become generally available to the public other than by virtue of a breach of this Section 12.16(a) by the respective Lender or (y) as has become available to such Lender on a non-confidential basis from a source other than the Administrative Borrower or any of its Subsidiaries other than by virtue of a breach of such source's confidentiality obligations to the Administrative Borrower or any of its Subsidiaries known to such Lender, (ii) as may be required in any report, statement or testimony submitted to any municipal, state or Federal regulatory body having or claiming to have jurisdiction over such Lender or to the Federal Reserve Board or the Federal Deposit Insurance Corporation or similar organizations (whether in the United States or elsewhere) or their successors, (iii) as may be required in respect to any summons or subpoena or in connection with any litigation or in connection with the exercise of any remedies under the Credit Documents, (iv) in order to comply with any law, order, regulation or ruling applicable to such Lender, (v) to the Administrative Agent or the Collateral Agent, (vi) to any direct or indirect contractual counterparty in any swap, Hedge or similar agreement (or to any such contractual

counterparty's professional advisor), so long as such contractual counterparty (or such professional advisor) agrees in writing to be bound by the provisions of this Section 12.16, (vii) to any prospective or actual transferee or participant in connection with any contemplated transfer or participation of any of the Notes or Commitments or any interest therein by such Lender and (viii) to any rating agency when required by it; provided, that such prospective transferee or participant agrees in writing to be bound by the confidentiality provisions contained in this Section 12.16; provided, further, that, to the extent permitted pursuant to any applicable law, order, regulation or ruling, and other than in connection with credit and other bank examinations conducted in the ordinary course with respect to such Lender, in the case of any disclosure pursuant to the foregoing clauses (ii), (iii), (iv), (vi) or (vii) such Lender will use its commercially reasonable efforts to notify the Administrative Borrower in advance of such disclosure so as to afford the Administrative Borrower the opportunity to protect the confidentiality of the Information proposed to be so disclosed. For the purposes of this Section 12.16, "Information" shall mean all information received from the Administrative Borrower and related to the Administrative Borrower or its business, other than any such information that was available to the Administrative Agent, the Collateral Agent or any Lender on a nonconfidential basis prior to its disclosure by the Administrative Borrower. Any person required to maintain the confidentiality of Information as provided in this Section 12.16 shall be considered to have complied with its obligation to do so if such person has exercised the same degree of care to maintain the confidentiality of such Information as such person would accord to its own confidential information.

(b) The Borrowers hereby acknowledge and agree that each Lender may share with any of its affiliates, and such affiliates may share with such Lender, any Information related to the Administrative Borrower or any of its Subsidiaries (including, without limitation, any non-public customer information regarding the creditworthiness of the Administrative Borrower and its Subsidiaries); provided, that such Persons shall be instructed to keep such Information confidential pursuant to the terms of this Section 12.16 to the same extent as such Lender.

12.17. Special Provisions Regarding Pledges of Equity Interests in, and Promissory Notes Owed by, Persons Not Organized in the United States. The parties hereto acknowledge and agree that the provisions of the various Security Documents executed and delivered by the Credit Parties require that, among other things, promissory notes executed by, and Equity Interests in, various Persons owned by the respective Credit Party be pledged, and delivered for pledge, pursuant to the Security Documents and subject to the terms conditions and exceptions contained therein. The parties hereto further acknowledge and agree that each Credit Party shall be required to take all actions under the laws of the jurisdiction in which such Credit Party is organized to create and perfect all security interests (to the extent such security interests can be perfected by the filings or other actions required under the Security Documents) granted pursuant to the various Security Documents and to take all actions under the laws of the United States and any State thereof to perfect the security interests in the Equity Interests of, and promissory notes issued by, any Person organized under the laws of said jurisdictions (in each case, to the extent said Equity Interests or promissory notes are owned by any Credit Party). Except as provided in the immediately preceding sentence, to the extent any Security Document requires or provides for the pledge of promissory notes issued by, or Equity Interests in, any Person organized under the laws of a jurisdiction other than those specified in the immediately preceding sentence, it is acknowledged that, as of the Effective Date, no actions have been required to be taken to perfect, under local law of the jurisdiction of the Person who issued the respective promissory notes or whose Equity Interests are pledged, under the Security Documents. The Administrative Borrower hereby agrees that, following any request by the Administrative Agent or the Required Lenders to do so, the Administrative Borrower will, and will cause its Restricted Subsidiaries to, take such actions under the local law of any jurisdiction with respect to which such actions have not already been taken as are determined by the Administrative Agent or the Required Lenders to be necessary or advisable in order to fully perfect (to the extent such security interests can be perfected by the filings or other actions required under the Security Documents), preserve or protect the security interests granted pursuant to the various Security Documents under the laws of such jurisdictions; provided, however, that

no such request shall be made by the Administrative Agent or the Required Lenders if the Collateral Agent determines in its Permitted Discretion that the costs of taking any such action are excessive in relation to the value of the security afforded thereby. If requested to do so pursuant to this Section 12.17, all such actions shall be taken in accordance with the provisions of this Section 12.17 and Section 8.11 and within the time periods set forth therein. All conditions and representations contained in this Agreement and the other Credit Documents shall be deemed modified to the extent necessary to effect the foregoing and so that same are not violated by reason of the failure to take actions under local law (but only with respect to Equity Interests in, and promissory notes issued by, Persons organized under laws of jurisdictions other than the United States and any State thereof) not required to be taken in accordance with the provisions of this Section 12.17; provided, that to the extent any representation or warranty would not be true because the foregoing actions were not taken, the respective representation or warranties shall be required to be true and correct in all material respects at such time as the respective action is required to be taken in accordance with the foregoing provisions of Section 8.11 and this Section 12.17.

12.18. PATRIOT Act. Each Lender subject to the USA PATRIOT Improvement and Reauthorization Act, Pub. L. 109-177 (signed into law March 9, 2009) (as amended from time to time, the "PATRIOT Act") hereby notifies each Credit Party that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies the Borrowers and the other Credit Parties, which information includes the name, address and taxpayer identification of the Borrowers and the other Credit Parties and other information that will allow such Lender to identify the Borrowers and the other Credit Parties in accordance with the PATRIOT Act.

12.19. Post-Closing Actions.

(a) Notwithstanding anything to the contrary contained in this Agreement or any other Credit Document, this Agreement and the other Credit Documents are subject to Schedule 12.19. The parties hereto acknowledge and agree that the Administrative Borrower and its Restricted Subsidiaries shall be required to take the actions specified in Schedule 12.19 within the time periods set forth in Schedule 12.19 (as such time periods may be extended by the Administrative Agent in its reasonable discretion).

(b) All conditions precedent and representations contained in this Agreement and the other Credit Documents shall be deemed modified to the extent necessary to effect the foregoing (and to permit the taking of the actions described above within the time periods required above, rather than as elsewhere provided in the Credit Documents); provided, that (x) to the extent any representation and warranty would not be true because the foregoing actions were not taken on the Effective Date, the respective representation and warranty shall be required to be true and correct in all material respects at the time the respective action is taken (or was required to be taken) in accordance with the foregoing provisions of this Section 12.19 and (y) all representations and warranties relating to the Security Documents shall be required to be true immediately after the actions required to be taken by Section 12.19 have been taken (or were required to be taken).

12.20. Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Credit Document, the interest paid or agreed to be paid under the Credit Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrowers. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in

equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

12.21. FCC Ownership and Attribution Rules. No Lender shall, by virtue of making a Loan or by any subsequent action (including but not limited to the grant of a participation or the assignment of a Lender's Commitments, rights or obligations under this Agreement), cause a Lender to acquire an "attributable" interest in the Administrative Borrower or any Subsidiary of the Administrative Borrower which causes the Administrative Borrower, any Subsidiary of the Administrative Borrower or such Lender to be in violation of the FCC's media ownership rules.

12.22. Lender Action. Each Lender agrees that it shall not take or institute any actions or proceedings, judicial or otherwise, for any right or remedy against any Credit Party or any other obligor under any of the Credit Documents (including the exercise of any right of setoff, rights on account of any banker's lien or similar claim or other rights of self-help), or institute any actions or proceedings, or otherwise commence any remedial procedures, with respect to any Collateral or any other property of any such Credit Party, unless expressly provided for herein or in any other Credit Document, without the prior written consent of the Administrative Agent. The provisions of this Section 12.22 are for the sole benefit of the Lenders and shall not afford any right to, or constitute a defense available to, any Credit Party.

12.23. Obligations Absolute. To the fullest extent permitted by applicable law, all obligations of the Credit Parties hereunder shall be absolute and unconditional irrespective of:

(a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of any Credit Party;

(b) any lack of validity or enforceability of any Credit Document or any other agreement or instrument relating thereto against any Credit Party;

(c) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from any Credit Document or any other agreement or instrument relating thereto;

(d) any exchange, release or non-perfection or loss of priority of any Liens on any or all of the Collateral, or any release or amendment or waiver of or consent to any departure from any guarantee, for all or any of the Obligations;

(e) any exercise or non-exercise, or any waiver of any right, remedy, power or privilege under or in respect hereof or any Credit Document; or

(f) any other circumstances which might otherwise constitute a defense available to, or a discharge of, the Credit Parties.

12.24. Bank Product Providers. Each Bank Product Provider, in its capacity as such, shall be deemed a third party beneficiary hereof and of the provisions of the other Credit Documents for purposes of any reference in a Credit Document to the parties for whom Administrative Agent is acting. Administrative Agent hereby agrees to act as agent for such Bank Product Providers and, by virtue of entering into a Bank Product Agreement, the applicable Bank Product Provider shall be automatically deemed to have appointed Administrative Agent as its agent and to have accepted the benefits of the Credit Documents; it being understood and agreed that the rights and benefits of each Bank Product Provider under the Credit Documents consist exclusively of such Bank Product Provider's being a beneficiary of the Liens and security interests (and, if applicable, guarantees) granted to Administrative Agent and the right to share

in payments and collections out of the Collateral as more fully set forth herein. In addition, each Bank Product Provider, by virtue of entering into a Bank Product Agreement, shall be automatically deemed to have agreed that Administrative Agent shall have the right, but shall have no obligation, to establish, maintain, relax, or release reserves in respect of the Bank Product Obligations and that if reserves are established there is no obligation on the part of Administrative Agent to determine or insure whether the amount of any such reserve is appropriate or not. In connection with any such distribution of payments or proceeds of Collateral, Administrative Agent shall be entitled to assume no amounts are due or owing to any Bank Product Provider unless such Bank Product Provider has provided a written certification (setting forth a reasonably detailed calculation) to Administrative Agent as to the amounts that are due and owing to it and such written certification is received by Administrative Agent a reasonable period of time prior to the making of such distribution. Administrative Agent shall have no obligation to calculate the amount due and payable with respect to any Bank Products, but may rely upon the written certification of the amount due and payable from the relevant Bank Product Provider. In the absence of an updated certification, Administrative Agent shall be entitled to assume that the amount due and payable to the relevant Bank Product Provider is the amount last certified to Administrative Agent by such Bank Product Provider as being due and payable (less any distributions made to such Bank Product Provider on account thereof). The Borrowers may obtain Bank Products from any Bank Product Provider, although the Borrowers are not required to do so. The Borrowers acknowledge and agree that no Bank Product Provider has committed to provide any Bank Products and that the providing of Bank Products by any Bank Product Provider is in the sole and absolute discretion of such Bank Product Provider. Notwithstanding anything to the contrary in this Agreement or any other Credit Document, no provider or holder of any Bank Product shall have any voting or approval rights hereunder (or be deemed a Lender) solely by virtue of its status as the provider or holder of such agreements or products or the Obligations owing thereunder, nor shall the consent of any such provider or holder be required (other than in its capacity as a Lender, to the extent applicable) for any matter hereunder or under any of the other Credit Documents, including as to any matter relating to the Collateral or the release of Collateral or any Subsidiary Guarantor.

#### 12.25. Certain ERISA Matters.

(a) Each Lender (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Administrative Borrower or any other Credit Party, that at least one of the following is and will be true:

(i) such Lender is not using "plan assets" (within the meaning of Section 3(42) of ERISA or otherwise) of one or more Benefit Plans in connection with the Loans, the Letters of Credit, the Commitments or this Agreement,

(ii) the transaction exemption set forth in one or more PTEs, such as PTE 84-14 (a class exemption for certain transactions determined by independent qualified professional asset managers), PTE 95-60 (a class exemption for certain transactions involving insurance company general accounts), PTE 90-1 (a class exemption for certain transactions involving insurance company pooled separate accounts), PTE 91-38 (a class exemption for certain transactions involving bank collective investment funds) or PTE 96-23 (a class exemption for certain transactions determined by in-house asset managers), is applicable as to exempt from the prohibitions of Section 406 of ERISA and Section 4975 of the Code such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement,

(iii) (A) such Lender is an investment fund managed by a "Qualified Professional Asset Manager" (within the meaning of Part VI of PTE 84-14), (B) such Qualified Professional

Asset Manager made the investment decision on behalf of such Lender to enter into, participate in, administer and perform the Loans, the Letters of Credit, the Commitments and this Agreement, (C) the entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement satisfies the requirements of sub-sections (b) through (g) of Part I of PTE 84-14 and (D) to the best knowledge of such Lender, the requirements of subsection (a) of Part I of PTE 84-14 are satisfied with respect to such Lender's entrance into, participation in, administration of and performance of the Loans, the Letters of Credit, the Commitments and this Agreement, or

(iv) such other representation, warranty and covenant as may be agreed in writing between the Administrative Agent, in its sole discretion, and such Lender.

(b) In addition, unless either (1) sub-clause (i) in the immediately preceding clause (a) is true with respect to a Lender or (2) a Lender has provided another representation, warranty and covenant in accordance with sub-clause (iv) in the immediately preceding clause (a), such Lender further (x) represents and warrants, as of the date such Person became a Lender party hereto, to, and (y) covenants, from the date such Person became a Lender party hereto to the date such Person ceases being a Lender party hereto, for the benefit of, the Administrative Agent and not, for the avoidance of doubt, to or for the benefit of the Administrative Borrower or any other Credit Party, that the Administrative Agent is not a fiduciary with respect to the assets of such Lender involved in the Loans, the Letters of Credit, the Commitments and this Agreement (including in connection with the reservation or exercise of any rights by the Administrative Agent under this Agreement, any Credit Document or any documents related hereto or thereto).

12.26. Acknowledgement Regarding Any Supported QFCs. To the extent that the Credit Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Credit Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States), in the event a Covered Entity that is party to a Supported QFC (each, a "Covered Party") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Credit Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Credit Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulted Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

12.27. Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Credit Document or in any other agreement, arrangement

or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Credit Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-in Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Credit Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

\* \* \*

[Signature pages intentionally omitted]



Annex B  
Exhibits A-1 and A-2

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## FORM OF NOTICE OF CONVERSION/CONTINUATION

[Date]

Bank of America, N.A., as Administrative Agent  
 One Bryant Park  
 New York, New York 10036

Attention: [Asset Based Account Officer – Urban One]

Ladies and Gentlemen:

The undersigned, Urban One, Inc. (the “Administrative Borrower”), refers to the Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, extended, renewed, replaced, modified and/or supplemented from time to time, the “Credit Agreement”; the capitalized terms defined therein being used herein as therein defined), among the Administrative Borrower, the other Borrowers party thereto, the lenders from time to time party thereto (the “Lenders”), and you, as Administrative Agent for such Lenders, and hereby gives you notice pursuant to Section [2.06] [2.09] of the Credit Agreement, that the undersigned hereby requests to [convert] [continue] the Borrowing of Loans, and in that connection sets forth below the information relating to such [conversion] [continuation] (the “Proposed [Conversion] [Continuation]”) as required by Section [2.06][2.09] of the Credit Agreement:

(i) The Proposed [Conversion][Continuation] relates to the Borrowing of Loans originally made on [\_\_\_], 20[\_\_\_] (the “Outstanding Borrowing”) to [Name of Borrower] in the principal amount of \$\_\_\_\_\_ and currently maintained as a Borrowing of [Base Rate Loans] [Term SOFR Loans with an Interest Period ending on \_\_\_\_\_, \_\_\_\_].

(ii) The Business Day of the Proposed [Conversion][Continuation] is \_\_\_\_\_, \_\_\_\_.<sup>1</sup>

(iii) The Outstanding Borrowing shall be [continued as a Borrowing of Term SOFR Loans with an Interest Period of [one (1) month] [three (3) months] [six (6) months] [if such Interest Period is unavailable [specify alternative desired]]] [converted into a Borrowing of [Base Rate Loans] [Term SOFR Loans with an Interest Period of [one (1) month] [three (3) months] [six (6) months] [if such Interest Period is unavailable [specify alternative desired]]]].<sup>2</sup>

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<sup>1</sup> Shall be a Business Day at least three Business Days (or one Business Day in the case of a conversion into Base Rate Loans) after the date hereof; provided that such notice shall be deemed to have been given on a certain day only if given before 1:00 P.M. (New York City time) on such day.

<sup>2</sup> In the event that either (x) only a portion of the Outstanding Borrowing is to be so converted or continued or (y) the Outstanding Borrowing is to be divided into separate Borrowings with different Interest Periods, the Administrative Borrower should make appropriate modifications to this clause to reflect same.

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[The undersigned hereby certifies that (i) as of the date hereof, the representations and warranties of each Credit Party contained in the Credit Agreement and the other Credit Documents are true and correct in all material respects (except, that, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof, after giving effect to such materiality qualifier) on and as of the date hereof, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except, that, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof, after giving effect to such materiality qualifier) as of such earlier date)), (ii) immediately after the Proposed [Conversion][Continuation] and the application of the proceeds thereof, the outstanding principal amount of Revolving Loans will not exceed the Revolving Loan Limit, and (iii) no Event of Default has occurred and will be continuing on the date of the Proposed [Conversion][Continuation], nor will occur immediately after giving effect to the Proposed [Conversion][Continuation].]<sup>3</sup>

Very truly yours,

**URBAN ONE, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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<sup>3</sup> In the case of a Proposed Conversion or Continuation, insert this sentence only in the event that the conversion is from a Base Rate Loan to a Term SOFR Loan or in the case of a continuation of a Term SOFR Loan.

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FORM OF NOTICE OF BORROWING

[Date]

Bank of America, N.A., as Administrative Agent  
 One Bryant Park  
 New York, New York 10036  
 Attention: [Asset Based Account Officer – Urban One]

Ladies and Gentlemen:

The undersigned, Urban One, Inc. (the “Administrative Borrower”), refers to the Credit Agreement, dated as of February 19, 2021 (as amended, restated, amended and restated, extended, renewed, replaced, modified and/or supplemented from time to time, the “Credit Agreement”; the capitalized terms defined therein being used herein as therein defined), among the Administrative Borrower, the other Borrowers party thereto, the lenders from time to time party thereto (the “Lenders”), and you, as Administrative Agent for such Lenders, and hereby gives you notice pursuant to Section 5.17 of the Credit Agreement, that the undersigned hereby requests a Borrowing under the Credit Agreement, and in that connection sets forth below the information relating to such Borrowing (the “Proposed Borrowing”) as required by Section 5.17 of the Credit Agreement:

(i) The Business Day of the Proposed Borrowing is \_\_\_\_\_, \_\_\_\_.

(ii) The aggregate principal amount of the Proposed Borrowing is \$ \_\_\_\_\_.

(iii) The Borrower requesting the Proposed Borrowing is \_\_\_\_\_.

(iv) The Loans to be made pursuant to the Proposed Borrowing shall consist of Revolving Loans<sup>1</sup>

(v) The Loans to be made pursuant to the Proposed Borrowing shall be initially maintained as [Base Rate Loans] [Term SOFR Loans].

(vi) [The initial Interest Period for the Proposed Borrowing is [one (1) month] [three (3) months] [six (6) months] [if such Interest Period is unavailable [specify alternative desired]].<sup>2</sup>

The undersigned hereby certifies that (i) as of the date hereof, the representations and warranties of each Credit Party contained in the Credit Agreement and the other Credit Documents are true and correct in all material respects (except, that, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by

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<sup>1</sup> **NTD:** The removed clause (iv) was duplicative of (v).

<sup>2</sup> To be included for a Proposed Borrowing of Term SOFR Loans.

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materiality in the text thereof, after giving effect to such materiality qualifier) on and as of the date hereof, as though made on and as of such date (except to the extent that such representations and warranties relate solely to an earlier date, in which case such representations and warranties shall be true and correct in all material respects (except, that, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof, after giving effect to such materiality qualifier) as of such earlier date)), (ii) immediately after the Proposed Borrowing and the application of the proceeds thereof, the outstanding principal amount of Revolving Loans will not exceed the Revolving Loan Limit, and (iii) no Event of Default has occurred and will be continuing on the date of the Proposed Borrowing, nor will occur immediately after giving effect to the Proposed Borrowing.

Very truly yours,

**URBAN ONE, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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**Description of Registrant's Securities**

Urban One, Inc. and its subsidiaries, (collectively, "Urban One," the "Company", "we", "our" and/or "us") has two classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended:

- Class A Common Stock, \$0.001 par value, 30,000,000 shares authorized, 9,854,682 shares issued and outstanding (the "Class A Common Stock") as of December 31, 2022.
- Class D Common Stock, \$0.001 par value, 150,000,000 shares authorized, 33,618,227 shares issued and outstanding (the "Class D Common Stock") as of December 31, 2022.

Other shares that are authorized but not registered are:

- Class B Common Stock, \$0.001 par value, 150,000,000 shares authorized, 2,861,843 shares issued and outstanding (the "Class B Common Stock") as of December 31, 2022.
- Class C Common Stock, \$0.001 par value, 150,000,000 shares authorized, 2,045,016 shares issued and outstanding (the "Class C Common Stock") as of December 31, 2022.
- Preferred Stock, \$0.001 par value, 1,000,000 shares authorized, no shares issued and outstanding (the "Preferred Stock") as of December 31, 2022.

The following is a summary of the material terms and rights of our Class A Common Stock and Class D Common Stock and the provisions of our certificate of incorporation and our by-laws, each of which is incorporated by reference as an exhibit to our Annual Report on Form 10-K for the year ended December 31, 2022, of which this exhibit is a part. This summary is not complete and you should refer to the applicable provisions of our certificate of incorporation and by-laws. Our certificate of incorporation authorizes us to issue additional capital stock, but those shares are not registered under Section 12 of the Securities Exchange Act of 1934, as amended.

**General Rights and Voting Rights** - The Company has four classes of common stock, Class A, Class B, Class C and Class D. The shares of our Class A, Class B, Class C and Class D are collectively referred to as our Common Stock. Generally, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A common stock entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. The holders of Class C and Class D common stock are not entitled to vote on any matters. The holders of Class A common stock can convert such shares into shares of Class C or Class D common stock. Subject to certain limitations, the holders of Class B common stock can convert such shares into shares of Class A common stock. The holders of Class C common stock can convert such shares into shares of Class A common stock. The holders of Class D common stock have no such conversion rights.

**Dividends** - As and when dividends are declared or paid with respect to shares of Common Stock, whether in cash, property or securities of the Corporation, the holders of Class A Common, the holders of Class B Common, the holders of Class C Common and the holders of Class D Common shall be entitled to receive such dividends pro rata at the same rate per share for each such class of Common Stock; provided that, if such dividends are declared or paid in shares of Common Stock, such dividends may be paid only (i) in shares of Class D Common, or (ii) if holders of any class of Common Stock are to receive payment in shares of any class of Common Stock other than Class D Common, then holders of shares of each class of Common Stock must receive payment only in shares of such respective class of Common Stock. The rights of the holders of Common Stock to receive dividends are subject to the provisions of the Preferred Stock.

**Liquidation** - Subject to any preferential rights of outstanding shares of Preferred Stock, in the event of any liquidation of the Company, all remaining assets of the Company shall be distributed to holders of Common Stock pro rata at the same rate per share for each share of Common Stock.

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Other Rights and Preferences - Except as stated above, our Common Stock has no sinking fund or redemption provisions or preemptive, conversion or exchange rights. Holders of Common Stock may act by unanimous written consent.

Listing - Shares of our Class A common stock and Class D common stock are traded on The Nasdaq Stock Market LLC under the trading symbols "UONE" and "UONEK," respectively.

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**SECOND AMENDMENT AND WAIVER**

This SECOND AMENDMENT AND WAIVER (this "Amendment"), dated as of June 5, 2023, is among URBAN ONE, INC., a Delaware corporation (the "Administrative Borrower"), the other Borrowers and Subsidiary Guarantors party hereto, the Lenders party hereto (constituting the Required Lenders), and BANK OF AMERICA, N.A., as Administrative Agent.

**WHEREAS**, reference is hereby made to that certain Credit Agreement, dated as of February 19, 2021 (as amended by the First Amendment and Waiver, dated as of April 30, 2023 (the "First Amendment"), and as further amended, restated, amended and restated, supplemented or otherwise modified prior to the date hereof, the "Existing Credit Agreement"), and, as amended by this Amendment, the "Credit Agreement"), among the Administrative Borrower, the other Borrowers party thereto from time to time, the Administrative Agent, and each Lender from time to time party thereto;

**WHEREAS**, pursuant to

(a) Sections 8.01(b) and (e) of the Credit Agreement, within one hundred five (105) days after the close of each Fiscal Year of the Administrative Borrower (or, if earlier, fifteen (15) days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), the Administrative Borrower is required to deliver to the Administrative Agent: (i) the consolidated balance sheet of the Administrative Borrower and its Subsidiaries as at the end of such Fiscal Year and the related consolidated statements of income and retained earnings and statement of cash flows for such Fiscal Year setting forth comparative figures for the preceding Fiscal Year and certified by independent certified public accountants of recognized national standing, accompanied by an opinion of such accounting firm stating that in the course of its regular audit of the financial statements of the Administrative Borrower and its Subsidiaries, which audit was conducted in accordance with generally accepted auditing standards, such accounting firm obtained no knowledge of any Default or an Event of Default relating to financial or accounting matters which has occurred and is continuing or, if in the opinion of such accounting firm such a Default or an Event of Default has occurred and is continuing, a statement as to the nature thereof, (ii) management's discussion and analysis of the important operational and financial developments during such Fiscal Year, and (iii) a compliance certificate from an Authorized Officer of the Administrative Borrower certifying on behalf of the Administrative Borrower that, among other things, no Default or Event of Default has occurred and is continuing (collectively, the "Annual Financial Deliverables"); and

(b) Sections 8.01(a) and (e) of the Credit Agreement, within forty-five (45) days after the close of each of the first three (3) quarterly accounting periods in each Fiscal Year of the Administrative Borrower (or, if earlier, ten (10) days after the date required to be filed with the SEC (without giving effect to any extension permitted by the SEC)), the Administrative Borrower is required to deliver to the Administrative Agent: (i) the consolidated balance sheet of the Administrative Borrower and its Subsidiaries as at the end of such quarterly accounting period and the related consolidated statements of income and retained earnings and statement of cash flows for such quarterly accounting period and for the elapsed portion of the Fiscal Year ended with the last day of such quarterly accounting period, in each case setting forth comparative figures for the corresponding quarterly accounting period in the prior Fiscal Year, all of which shall be certified by the chief financial officer of the Administrative Borrower that they fairly present in all material respects in accordance with GAAP the financial condition of the Administrative Borrower and its Restricted Subsidiaries as of the dates indicated and the results of their operations for the periods indicated, subject to normal year-end audit adjustments and the absence of footnotes and (ii) a compliance certificate from an Authorized Officer of the Administrative Borrower certifying on behalf of the Administrative Borrower that, among other things, no Default or Event of Default has occurred and is continuing (collectively, the "Quarterly Financial Deliverables");

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**WHEREAS**, the Administrative Borrower has failed

(a) to deliver the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022 by June 2, 2023 in accordance with Section 2.02(a) of the First Amendment (such Event of Default, together with (x) any breach of any representation and warranty arising from or related to such Event of Default, (y) any failure to give notice of such Event of Default, or (z) the taking of any action prohibited during the continuance of such Event of Default or any Default set forth in clauses (x) or (y), in the case of each of clauses (x), (y) and (z) arising solely as a result of the failure to deliver the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022 by June 2, 2023, the "Specified Events of Default"); and

(b) to timely deliver the Quarterly Financial Deliverables for the Fiscal Quarter ended March 31, 2023 in accordance with Sections 8.01(a) and (e) of the Credit Agreement (such Default, together with (x) any breach of any representation and warranty arising from or related to such Default, (y) any failure to give notice of such Default, or (z) the taking of any action prohibited during the continuance of such Default or any Default set forth in clauses (x) or (y), in the case of each of clauses (x), (y) and (z) arising solely as a result of the failure to timely deliver the Quarterly Financial Deliverables for the Fiscal Quarter ended March 31, 2023, the "Specified Defaults"); and

**WHEREAS**, the Administrative Borrower has requested that the Required Lenders waive the Specified Events of Default and the Specified Defaults.

**NOW, THEREFORE**, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

#### ARTICLE I DEFINED TERMS

Unless otherwise specifically defined herein, each term used herein which is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. This Amendment is a "Credit Document" as defined under the Credit Agreement.

#### ARTICLE II LIMITED WAIVER

##### Section 2.01. Limited Waiver: Borrowings under the Credit Agreement

(a) Subject to the terms and conditions set forth herein, effective as of the Second Amendment Effective Date, the Administrative Agent and the Lenders (constituting the Required Lenders) hereby waive the Specified Events of Default and the Specified Defaults. The limited waiver set forth in this Section 2.01 (the "Waiver") is limited to the extent expressly set forth herein and no other terms, covenants or provisions of the Credit Agreement or other Credit Document shall in any way be affected by the Waiver. The Waiver is granted only with respect to the Specified Events of Default and the Specified Defaults and shall not apply to any other breach of the terms of the Credit Agreement or any actual or prospective default or breach of any other provision of the Credit Agreement or any other Credit Document (including, without limitation, Section 2.02 of this Amendment). Other than with respect to the Specified Events of Default and the Specified Defaults, the Waiver does not waive any other requirement with respect to the delivery of the Annual Financial Deliverables or the Quarterly Financial Deliverables. The Waiver shall not in any manner create a course of dealing or otherwise impair the future ability of the Administrative Agent or the Lenders to declare a Default or Event of Default under or otherwise enforce the terms of the

Credit Agreement or any other Credit Document other than with respect to the Specified Events of Default or the Specified Defaults specifically and expressly waived in, and subject to the terms of, the Waiver.

(b) Notwithstanding anything to the contrary in the Credit Agreement or this Amendment, so long as the Administrative Borrower has not delivered the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022 or the Quarterly Financial Deliverables for the Fiscal Quarter ended March 31, 2023, no part of any Credit Event (or the proceeds thereof) will be used for any Investment under clauses (v) through (vii) (other than Investments among Credit Parties) or clauses (xii), (xvii), (xviii) or (xxii), in each case, of Section 9.05 of the Credit Agreement, or Restricted Payments; provided that any breach under this Section 2.01(b) shall constitute an immediate Event of Default under the Credit Agreement.

Section 2.02. Covenants and Event of Default

(a) Notwithstanding anything to the contrary set forth in this Amendment, the Credit Agreement or any other Credit Document, the Administrative Borrower (i) shall deliver to the Administrative Agent the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022 no later than July 3, 2023, (ii) shall deliver to the Administrative Agent the Quarterly Financial Deliverables for the Fiscal Quarter ended March 31, 2023 no later than August 1, 2023 and (iii) solely to the extent received by the Administrative Borrower at any time by or before July 3, 2023, shall deliver to the Administrative Agent within three (3) Business Days after the receipt thereof, a management letter on internal control by the accounting firm that audited the Annual Financial Deliverables for the Fiscal Year ended December 31, 2022; provided that failure to timely deliver the Annual Financial Deliverables or the Quarterly Financial Deliverables or, solely to the extent received by the Administrative Borrower, such management letter on internal control, in each case, in accordance with this Section 2.02 shall constitute an immediate Event of Default under the Credit Agreement.

(b) The Administrative Borrower shall timely deliver to the Administrative Agent a copy of any written notice received by or sent to the SEC or any trustee, agent or noteholders under the Senior Secured Notes Indenture in connection with the Company's failure to timely deliver (i) the annual reports or other financial information for the Fiscal Year ended December 31, 2022 or (ii) the quarterly reports or other financial information for the Fiscal Quarter ended March 31, 2023, in each case, required to be filed with the SEC or delivered to such trustee, agent or the noteholders under the Senior Secured Notes Indenture.

ARTICLE III  
REPRESENTATIONS AND WARRANTIES

Each Borrower and each of the Subsidiary Guarantors party hereto makes the following representations, warranties and agreements, as of the Second Amendment Effective Date:

(a) each of the representations and warranties in Section 7 of the Credit Agreement and in each other Credit Document is true and correct in all material respects (it being understood and agreed that (x) any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date and (y) any representation or warranty that is qualified as to "materiality," "Material Adverse Effect" or similar language shall be true and correct in all respects after giving effect to such qualification);

(b) after giving effect to the terms of this Amendment, no Default or Event of Default has occurred and is continuing;

(c) the execution, delivery and performance of this Amendment by each Borrower and each of the Subsidiary Guarantors has been duly authorized by all necessary corporate or other organizational action;

(d) the execution, delivery and performance of this Amendment by each Borrower and each of the Subsidiary Guarantors do not and will not (i) contravene any provision of any law, statute, rule or regulation or any order, writ, injunction or decree of any court or Governmental Authority, except in the case of any contravention that would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect; (ii) conflict with or result in any breach of any of the terms, covenants, conditions or provisions of, or constitute a default under (x) the Senior Secured Notes Indenture, (y) after the execution and delivery thereof, the Permitted Subordinated Debt Documents, the Permitted Unsecured Debt Documents, Parity Lien Documents, Junior Lien Documents and any Permitted Refinancing Debt Documents in respect of the Senior Secured Notes, the Permitted Subordinated Debt and the Permitted Unsecured Debt, in any such case to the extent governing Indebtedness in an aggregate outstanding principal amount equal to or greater than \$20,000,000, and (z) any other indenture, mortgage, deed of trust, credit agreement, loan agreement or any other agreement, contract or instrument, in each case to which any Credit Party or any of its Restricted Subsidiaries is a party or by which it or any of its property or assets is bound or to which it may be subject, except, in the case of the preceding subclause (x), for any contravention, breach, default, lien and/or conflict, that would not reasonably be expected, either individually or in the aggregate, to result in a Material Adverse Effect; or (iii) violate any provision of the certificate or articles of incorporation, certificate of formation, limited liability company agreement or by-laws (or equivalent organizational documents), as applicable, of any Credit Party; and

(e) this Amendment and all other Credit Documents executed and delivered in connection herewith constitute the legal, valid and binding obligation of such Loan Party enforceable in accordance with its respective terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law).

#### ARTICLE IV CONDITIONS PRECEDENT

This Amendment shall be effective on the first date of satisfaction (or waiver by the Administrative Agent) of the following conditions precedent (all documents to be in form and substance reasonably satisfactory to Administrative Agent) (such date, the "Second Amendment Effective Date"):

(a) The Administrative Agent shall have received counterparts of this Amendment duly executed and delivered by each Borrower, each Subsidiary Guarantor and each Lender party hereto (constituting the Required Lenders); and

(b) The Administrative Borrower shall pay or reimburse all reasonable documented out-of-pocket costs and expenses of the Administrative Agent (including, without limitation, the reasonable fees and disbursements of Latham & Watkins LLP) in connection with the preparation, execution, delivery and administration of this Amendment and the other Credit Documents.

ARTICLE V  
REAFFIRMATION OF CREDIT DOCUMENTS

Each Credit Party hereby (a) agrees that each Credit Document to which it is a party is hereby reaffirmed and, except as modified by the terms hereof, shall continue to be in full force and effect, and (b) affirms and confirms that all guarantees, Liens and security interests granted to the Administrative Agent, the Collateral Agent and the Lenders under the Guaranty, the Pledge Agreement, the Security Agreement and each other Credit Document to which it is a party remain in full force and effect and shall continue to secure the Obligations. Nothing in this Amendment or in any of the transactions contemplated hereby is intended, or shall be construed, to constitute a novation or an accord and satisfaction of any of the Obligations under the Credit Agreement or the other Credit Documents or to modify, affect or impair the perfection, priority or continuation of the security interests in, security titles to or other Liens on any Collateral for the Obligations.

ARTICLE VI  
MISCELLANEOUS

Section 6.01. Liens Unimpaired. Neither the Waiver nor the execution, delivery, performance or effectiveness of this Amendment:

(a) impairs the validity, effectiveness or priority of the Liens granted pursuant to any Credit Document, and such Liens continue unimpaired with the same priority to secure repayment of all Obligations, whether heretofore or hereafter incurred; or

(b) requires that any new filings be made or other action taken to perfect or to maintain the perfection of such Liens.

Section 6.02. Entire Agreement. This Amendment, the Credit Agreement, and the other Credit Documents constitute the entire agreement among the parties hereto with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and oral, among the parties hereto with respect to the subject matter hereof and thereof. No modification hereof or any agreement referred to herein shall be binding or enforceable unless in writing and signed on behalf of the party against whom enforcement is sought.

Section 6.03. **GOVERNING LAW. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE LAW OF THE STATE OF NEW YORK (WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES). SECTIONS 12.08(A), (B) AND (C) OF THE CREDIT AGREEMENT ARE HEREBY INCORPORATED BY REFERENCE, *MUTATIS MUTANDIS*, AND SHALL APPLY HERETO.**

Section 6.04. Severability. Any provision of this Amendment held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions of this Amendment; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction. The parties hereto shall endeavor in good-faith negotiations to replace any invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

Section 6.05. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall

be an original, but all of which together constitute one and the same instrument. This Amendment shall be binding upon and inure to the benefit of and be enforceable by the respective permitted successors and assigns of the parties hereto. Delivery of an executed counterpart of a signature page of this Amendment that is an Electronic Signature transmitted by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page shall be effective as delivery of a manually executed counterpart of this Amendment. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by facsimile, emailed pdf. or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be; *provided* that nothing herein shall require the Administrative Agent to accept Electronic Signatures in any form or format without its prior written consent and pursuant to procedures approved by it.

Section 6.06. Headings. The headings of the several articles and sections of this Amendment are inserted for convenience only and shall not in any way affect the meaning or construction of any provision of this Amendment.

*[Signature Pages Follow]*

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

URBAN ONE, INC., as the Administrative Borrower

By: \_\_\_\_\_  
Name:  
Title:

TV ONE, LLC  
INTERACTIVE ONE, INC.  
REACH MEDIA, INC., each as a Borrower

By: \_\_\_\_\_  
Name:  
Title:

*[Second Amendment and Waiver Signature Page]*

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RADIO ONE LICENSES, LLC  
BOSSIPMADAMENOIRE, LLC  
CLEOTV, LLC  
RO ONE SOLUTION, LLC  
BELL BROADCASTING COMPANY, LLC  
RADIO ONE OF DETROIT, LLC  
RADIO ONE OF CHARLOTTE, LLC  
CHARLOTTE BROADCASTING, LLC  
RADIO ONE OF NORTH CAROLINA, LLC  
BLUE CHIP BROADCASTING, LTD.  
BLUE CHIP BROADCASTING LICENSES, LTD.  
RADIO ONE OF INDIANA, LLC  
RADIO ONE OF INDIANA, L.P.  
RADIO ONE OF TEXAS II, LLC  
SATELLITE ONE, L.L.C.  
RADIO ONE CABLE HOLDINGS, LLC  
NEW MABLETON BROADCASTING CORPORATION  
RADIO ONE MEDIA HOLDINGS, LLC  
RADIO ONE DISTRIBUTION HOLDINGS, LLC  
INTERACTIVE ONE, LLC  
DISTRIBUTION ONE, LLC  
GAFFNEY BROADCASTING LLC  
RADIO ONE URBAN NETWORK HOLDINGS, LLC  
RADIO ONE ENTERTAINMENT HOLDINGS, LLC  
URBAN ONE ENTERTAINMENT SPV, LLC  
URBAN ONE PRODUCTIONS, LLC  
T TENTH PRODUCTIONS, LLC  
CHARLIE BEAR PRODUCTIONS, LLC, each as a Subsidiary Guarantor

By: \_\_\_\_\_  
Name:  
Title:

*[Second Amendment and Waiver Signature Page]*

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BANK OF AMERICA, N.A.,  
as Administrative Agent and as a Lender

By: \_\_\_\_\_

Name:

Title:

*[Second Amendment and Waiver Signature Page]*

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**SUBSIDIARIES OF URBAN ONE, INC.**  
As of December 31, 2022

Radio One Licenses, LLC, a Delaware limited liability company, is a restricted subsidiary of Urban One, Inc. and is the licensee of the following stations:

KBFB-FM	WYCB-AM	WOL-AM	WWIN-AM
KBXX-FM	WFXC-FM	WOLB-AM	WWIN-FM
KMJQ-FM	WFJK-FM	WPPZ-FM	WXGI-AM
KROI-FM	WHTA-FM	WPRS-FM	W258DC
KZMJ-FM	WKJM-FM	WPZZ-FM	W275BK
WAMJ-FM	WKJS-FM	WQOK-FM	W281AW
WCDX-FM	WKYS-FM	WRNB-FM	W274BX
WDCJ-FM	WMMJ-FM	WTPS-AM	W240DJ
WERQ-FM	WNNL-FM	WUMJ-FM	

Radio One of Charlotte, LLC ("Radio One of Charlotte"), a Delaware limited liability company, the sole member of which is Urban One, Inc., is a restricted subsidiary of Urban One, Inc. Charlotte Broadcasting, LLC ("Charlotte Broadcasting") is a Delaware limited liability company, the sole member of which is Radio One of Charlotte. Radio One of North Carolina, LLC ("Radio One of North Carolina") is a Delaware limited liability company, the sole member of which is Charlotte Broadcasting. Radio One of North Carolina is the licensee of the following stations:

WPZS-FM	WBT-AM	W273DA
WFNZ-FM	WFNZ-AM	
WBT-FM	WLNK-FM	

Gaffney Broadcasting, LLC ("Gaffney Broadcasting") is a South Carolina limited liability company, the sole member of which is Charlotte Broadcasting. Gaffney Broadcasting is the licensee of the following station:

WOSF-FM

Blue Chip Broadcasting, Ltd. ("BCB Ltd."), an Ohio limited liability company, the sole member of which is Urban One, Inc., and which is a restricted subsidiary of Urban One, Inc. Blue Chip Broadcasting Licenses, Ltd. ("BC Licenses") is an Ohio limited liability company, the sole member of which is BCB Ltd. BC Licenses is the licensee of the following stations:

WIZF-FM	WJMO-AM	W268CM
WENZ-FM	WZAK-FM	W233CG
WERE-AM	WJYD-FM	
WXMG-FM	WQMC-LD	
WOSL-FM	WDBZ-AM	
WCKX-FM	WHTD-FM	

Radio One of Texas II, LLC, a Delaware limited liability company, the sole member of which is Urban One, Inc., and it is a restricted subsidiary of Urban One, Inc.

Radio One of Indiana, L.P. is a Delaware limited partnership. Urban One, Inc. is the general partner and 99% owner of Radio One of Indiana, L.P. Charlotte Broadcasting, LLC is the limited partner and 1% owner of Radio One of Indiana, L.P.

Radio One of Indiana, LLC is a Delaware limited liability company, the sole member of which is Radio One of Indiana, L.P. Radio One of Indiana, LLC is the licensee of the following stations:

WDNI-CD	WYXB-FM	W236CR
WTLC-FM	WLHK-FM	W224DI
WHHH-FM	WTLC-AM	W228CX
WIBC-FM	W286CM	W298BB

Satellite One, LLC is a Delaware limited liability company, the sole member of which is Urban One, Inc.

New Mableton Broadcasting Corporation, a Delaware corporation, is a wholly owned subsidiary of Urban One, Inc. and is the licensee of the following station:

WPZE-FM

Radio One Cable Holdings, LLC, a Delaware limited liability company, is a wholly owned subsidiary of Urban One, Inc. Radio One Cable Holdings, LLC holds an interest in TV One, LLC, a Delaware limited liability company.

Radio One Media Holdings, LLC is a Delaware limited liability company, the sole member of which is Urban One, Inc. Radio One Media Holdings, LLC owns 80.0% of the common stock of Reach Media, Inc., a Texas corporation.

Radio One Distribution Holdings, LLC is a Delaware limited liability company, the sole member of which is Urban One, Inc. Radio One Distribution Holdings, LLC is the sole member of Distribution One, LLC which is a Delaware limited liability company.

Interactive One, Inc., a Delaware corporation, is a wholly owned subsidiary of Urban One, Inc. and the sole member of Interactive One, LLC.

Interactive One, LLC, is a Delaware limited liability company, the sole member of which is Interactive One, Inc.

Radio One Urban Network Holdings, LLC, is a Delaware limited liability company, the sole member of which is Urban One, Inc.

Radio One Entertainment Holdings, LLC, is a Delaware limited liability company, the sole economic and majority voting member of which is Urban One, Inc.

BossipMadameNoire, LLC, is a Delaware limited liability company, the sole member of which is Urban One, Inc.

RO One Solution, LLC, is a Delaware limited liability company, the sole member of which is Urban One, Inc.

Urban One Productions, LLC, is a Delaware limited liability company, the sole member of which is Urban One, Inc.

Urban One Entertainment SPV, LLC, is a Delaware limited liability company, the sole economic and majority voting member of which is Radio One Entertainment Holdings, LLC, a wholly-owned subsidiary of Urban One, Inc.

T Tenth Productions, LLC, is a Delaware limited liability company, the sole member of which is TV One, LLC.

Charlie Bear Productions, LLC, is a Maryland limited liability company, the sole member of which is TV One, LLC.

CLEOTV, LLC, is a Delaware limited liability company, the sole member of which is TV One, LLC.

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Consent of Independent Registered Public Accounting Firm

Urban One, Inc.  
Silver Spring, Maryland

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-257149, No. 333-257037, and No. 333-241635) and Form S-8 (No. 333-258874 and No. 333-232991) of Urban One, Inc. of our reports dated June 30, 2023, relating to the consolidated financial statements, and the effectiveness of Urban One, Inc.'s internal control over financial reporting, which appear in this Form 10-K. Our report on the effectiveness of internal control over financial reporting expresses an adverse opinion on the effectiveness of the Company's internal control over financial reporting as of December 31, 2022.

/s/ BDO USA, LLP  
Potomac, Maryland  
June 30, 2023

I, Alfred C. Liggins, III, certify that:

1. I have reviewed this annual report on Form 10-K of Urban One, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of this report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 30, 2023

By: /s/ Alfred C. Liggins, III

Alfred C. Liggins, III

President and Chief Executive Officer

I, Peter D. Thompson, certify that:

1. I have reviewed this annual report on Form 10-K of Urban One, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of this report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 30, 2023

By: /s/ Peter D. Thompson

Peter D. Thompson

Executive Vice President, Chief Financial Officer  
and Principal Accounting Officer

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Urban One, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

- (i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 30, 2023

By: /s/ Alfred C. Liggins, III

Name: Alfred C. Liggins, III

Title: President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Urban One, Inc. and will be retained by Urban One, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Urban One, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

- (i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2022 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
- (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: June 30, 2023

By: /s/ Peter D. Thompson

Name: Peter D. Thompson

Title: Executive Vice President, Chief Financial Officer  
and Principal Accounting Officer

A signed original of this written statement required by Section 906 has been provided to Urban One, Inc. and will be retained by Urban One, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

