

LOCAL MANAGEMENT AND MARKETING AGREEMENT

THIS LOCAL MANAGEMENT AND MARKETING AGREEMENT (this "Agreement") is made as of February 1, 2021, between KLOS Radio, LLC a California limited liability company with offices located at 2600 West Olive Avenue, Suite 800, Burbank, California 91505 ("Operator"), as the sole member of KLOS Radio Holdings, LLC ("Licensee"), and Toad Hop Entertainment, Inc., a California corporation, with offices located at 11150 West Olympic Boulevard, Suite 750, Los Angeles, California 90064 (the "Programmer").

Recitals

Operator operates the following radio station (the "Station") pursuant to authorizations issued to Licensee by the Federal Communications Commission (the "FCC") to Licensee:

KLOS, Los Angeles, California (FCC Facility I.D. 35078)

The Station transmits an analog FM signal and an in-band-on-channel (IBOC) digital audio broadcasting (DAB) signal that may contain multiple digital audio Channels. These digital audio Channels are denominated by the Station's call sign, the letters "HD" and consecutive integers, e.g. KLOS HD1, KLOS HD2, etc.

The Programmer produces or has the right to broadcast certain radio station programming. Subject to the terms and conditions of this Agreement, Programmer intends to purchase and Operator intends to sell broadcast time on a DAB channel denominated "KLOS HD2" (the "HD Channel") for the presentation of Programmer's programming service, reserving KLOS HD1 for the digital rebroadcast of the Programmer's choice of programming.

Agreement

NOW, THEREFORE, in reliance on the foregoing and in exchange for the mutual promises set out below, the parties agree as follows:

Term. The term of this Agreement (the "Term") shall commence on the date first written above and shall continue until December 31, 2021, unless earlier terminated in accordance with the terms hereof.

HD Channel/Retransmission Consent. During the Term and subject to the requirements of this Agreement, the Programmer shall provide up to 168 hours per week of programming for the HD Channel (the "Programming") and Operator shall make the HD Channel available to the Programmer for the Programming; provided, however that the HD Channel shall be subordinate to the Station's primary program stream transmitted on its analog signal and on KLOS HD1.

Payment. Upon execution of this Agreement, Programmer shall pay [REDACTED] for carriage of the Programming during the Term. In addition Programmer shall reimbursement of all Operator's out of pocket expenses attributable to carriage of the Programming on the Channel. Operator will invoice Programmer monthly for any such expenses. No additional payment to Operator is to be made for the broadcast time supplied under this Agreement. During the Term, Programmer shall have the exclusive right to sell commercial advertising for the HD Channel, shall be entitled to all revenue therefrom, and be responsible for all costs associated therewith.

Programs. The Programmer shall ensure that the Programming complies with FCC rules and policies and other applicable law, complies with Operator's program standards as in effect from time to time, and does not violate third party rights, including, without limitation, copyright, the rights of publicity and privacy. In this connection, Programmer shall acquire and maintain at its sole cost any music licenses (ASCAP, BMI, SESAC, GMR etc.) required to broadcast the Programming over the HD Channel. The Programmer shall ensure that the Programming includes

A handwritten signature in black ink, possibly reading 'SM', with a small arrow pointing to the right above it.

proper station identification announcements in accordance with FCC rules and regulations. The Programmer shall cooperate with Operator with respect to the provision of equal opportunities, lowest unit charge, and reasonable access to political candidates, and compliance with other applicable FCC rules and policies. Programmer shall include in all advertising sales a contractual provisions regarding non-discrimination as required by the FCC rules. As such, Programmer shall include in its contracts for the sale of advertising time the following language: **“This station does not discriminate in the sale of advertising time, and will accept no advertising which is placed with an intent to discriminate on the basis of race, gender or ethnicity. Advertiser hereby certifies that it is not buying broadcasting air time under this advertising sales contract for a discriminatory purpose, including but not limited to decisions not to place advertising on particular stations on the basis of race, gender, national origin, or ancestry.”**

Facilities. The Programmer shall deliver the Programming to the Station’s transmission facilities in a manner compatible with the Station’s facilities as and where they exist from time to time and meeting the technical standards of the Station as in effect from time to time. This Agreement does not limit Operator’s right to modify the Station’s facilities and broadcast operations from time to time. The HD Channel shall be deemed modified by any applicable changes to the Station’s facilities or broadcast operations. The Station, including the HD Channel, may operate at reduced power or be off the air due to maintenance, casualty, modifications or other reasons. Neither any such event, nor any event or condition outside Operator’s control that affects the HD Channel shall constitute a failure by Operator to perform under this Agreement.

Control. Notwithstanding anything herein to the contrary, the parties agree that Licensee shall have ultimate control over the Station, including, control over the Station’s personnel, programming, finances and regulatory affairs. Neither Programmer nor its employees or agents shall identify Programmer as the licensee or owner of the Station or of the HD Channel in any communication.

Personnel Control. Licensee shall maintain a main studio for the Station, staffed in a manner consistent with FCC requirements. Licensee and its employees shall maintain control of the Station’s operations. All persons at the Station’s studios and all persons operating the Station’s facilities shall be subject to the direction and control of Licensee and its managerial level employees.

Financial Control. The Station’s books and records shall be maintained by Operator and Programmer shall have no access to or control over the finances of the Station. Subject to Programmer’s compliance with the terms of this Agreement, Operator and Licensee shall be responsible for the direct and indirect costs of operating the Station, including rents and utilities at the Station’s main studio and transmitter site, insurance costs related to Licensee’s assets, taxes on such assets and income, and salaries, payroll taxes and related costs of personnel employed by Operator and Licensee at the Station. Programmer shall be solely responsible for all direct and indirect costs of production and delivery of the Programming to the Station and conducting Programmer’s business, including, but not limited to, costs for the power and utilities at Programmer’s facilities where Programming is produced, insurance costs related to Programmer’s equipment, taxes on Programmer’s assets and income, and salaries, payroll taxes and related costs of personnel employed by Programmer in connection with its business conducted over the HD Channel.

Programming Control. Licensee’s power to control the Station shall include the absolute right to

review and reject any material to be transmitted over the HD Channel which Licensee in its sole discretion deems undesirable or inappropriate. Nothing set forth in this Agreement shall limit Licensee's right to refuse to broadcast any Programming that violates FCC rules or policy or other applicable law or does not comply with Licensee's program standards or violates third party rights. The Programmer shall cooperate with Operator to broadcast and document programs addressing the problems, interests and needs of the Station's service area. Programmer shall provide Operator with a copy of any letters or emails it receives concerning the Programming broadcast on the HD Channel. The Programmer shall cooperate with Operator to ensure that EAS transmissions, station identifications and all announcements required by law are properly performed within the Programming broadcast on the HD Channel, all in accordance with Operator's instructions. Operator shall have the right to substitute its primary channel programming on the HD Channel throughout the duration of any national or local emergency, should Operator in its reasonable judgment decide its primary facility is inadequate to such emergency, or as may be required by law.

Control of Regulatory Affairs. Licensee shall be ultimately responsible for the Station's compliance with Federal Communications Commission requirements, including compliance with any FCC filing or reporting requirements pertaining to the Station. Programmer agrees to assist Licensee in responding to any FCC inquiries or preparing any FCC-required applications or reports by promptly supplying Licensee any information in Programmer's possession custody or control responsive to FCC inquiries or reasonably necessary to completing FCC applications, reports or other filings for the Station.

Termination.

If a party fails to perform its obligations under this Agreement in any material respect or breaches the representations made by it under this Agreement in any material respect, and such breach or default continues for a period of thirty (30) days after the non-defaulting party provides the defaulting party written notice thereof, then the non-defaulting party may terminate this Agreement by giving written notice to the defaulting party. No expiration or termination of this Agreement shall relieve a party of liability for failure to comply with this Agreement prior thereto.

Operator may terminate this Agreement at any time, with or without notice, on the occurrence of any of the following: (i) cessation of broadcast operations on the Station, (ii) actual or threatened action by the FCC in relation to the Programming, including allegations that the Programming violates any law or rules of the FCC, (iii) if the agreement between Programmer and Operator for the personal services of Frank Kramer is terminated for any reason, (iv) at any time upon no less than fifteen (15) days written notice.

Indemnity, Liability, Insurance. The Programmer shall indemnify, defend, and hold harmless Operator from and against any loss, liability, cost or expense (including reasonable attorneys' fees) arising from Programmer's use of the HD Channel, including without limitation any claim of copyright infringement, libel, slander, defamation, invasion of privacy, infringement of rights of persona, or any similar tort claims. Programmer shall obtain and maintain in full force and effect throughout the term of this Agreement and for a period of two (2) years following termination of this Agreement General Liability coverage and Producer's and/or Broadcaster's E&O insurance with limits of no less than \$1,000,000 covering Programmer's broadcast of the Program and the liabilities assumed by Programmer under this Agreement. Programmer shall provide certificates of insurance evidencing the above insurance, with KLOS Radio, LLC named

as the certificate holder and naming KLOS Radio, LLC, KLOS Radio Holdings, LLC, and Meruelo Media LLC as additional insureds (the "Additional Insureds"). The policies shall be primary and non-contributory with respect to any insurance maintained by Additional Insureds, and shall contain a waiver of subrogation in favor of the Additional Insureds. Failure by Operator to request certificates of insurance shall in no way be deemed a waiver of Operator's right to require or Programmer's duty to obtain such insurance. The terms of this Section shall survive any expiration or termination of this Agreement.

Representations. Operator and the Programmer each represent and warrant to the other that it is in good standing in the jurisdiction of its organization and is qualified to do business in the jurisdiction in which the Station is located; that it has duly authorized the execution, delivery and performance of this Agreement; that the Agreement is binding upon it, and the execution, delivery, and performance by it of this Agreement does not conflict with any other agreement to which it is a party.

47 CFR Section 73.3555 Certifications. In executing this Agreement, Operator and Licensee hereby certifies that it retains ultimate control of the Station's facilities, including Station finances, personnel and programming. In executing this Agreement, Programmer hereby certifies that it complies with 47 CFR Section 73.3555(a), (c) and (d), in that it Programmer's does not have an attributable interest in other station licenses that would violate multiple ownership rules.

Payola and Plugola, Sponsorship Identification. Programmer shall comply with all laws related to truth in advertising and sponsorship identification, as well as complying with "Payola" and "Plugola" rules of the FCC codified in Sections 317 and 507 of the Communications Act of 1934 which requires that PROGRAM PRODUCERS ARE PROHIBITED FROM ACCEPTING ANY MONEY, SERVICE OR OTHER VALUABLE CONSIDERATION FROM ANY PERSON FOR BROADCASTING ANY MATERIAL OVER THE STATION UNLESS APPROPRIATE SPONSORSHIP IDENTIFICATION IS MADE AND PROGRAMMER AND STATION ARE INFORMED. PROGRAM PRODUCERS HAVING ANY VOICE IN THE SELECTION OF BROADCAST MATTER ARE PROHIBITED FROM ACCEPTING ANY FAVORS, LOANS, ENTERTAINMENT OR OTHER CONSIDERATION FROM PERSONS SEEKING THE AIRING OF ANY BROADCAST MATTER IN RETURN THEREFORE OR PROMOTING OVER THE AIR ANY ACTIVITY OR MATTER IN WHICH THE PROGRAM PRODUCER HAS A DIRECT OR INDIRECT FINANCIAL INTEREST UNLESS APPROPRIATE SPONSORSHIP IDENTIFICATION IS MADE AND STATION IS INFORMED

Notices. Notices under this Agreement shall be in writing and shall be deemed given when delivered by hand, overnight courier or facsimile addressed as follows (or such other address as a party may designate by written notice to the other):

if to the Programmer: Toad Hop Entertainment, Inc
1150 West Olympic Boulevard, Suite 750
Los Angeles, California 90064
Attn: Frank Kramer

if to Operator: KLOS Radio, LLC
2600 West Olive Avenue, Suite 850
Burbank, California USA 91505

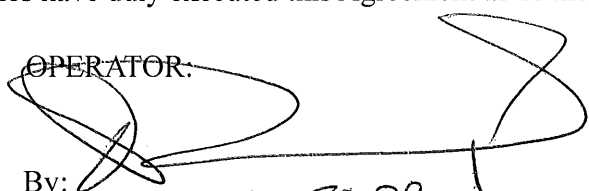
With copy to: Meruelo Media, LLC
9550 Firestone, Blvd. Ste 105
Downey, CA 90241
Attn: General Counsel


Miscellaneous. This Agreement is subject to the applicable rules and policies of the FCC and other applicable law. If such rules or policies change in a manner not consistent with this Agreement or a court or governmental authority holds any provision of this Agreement unenforceable, then unless the parties modify this Agreement to comply therewith either party may terminate this Agreement by written notice to the other. Neither party may assign this Agreement, except that Operator may assign this Agreement to a transferee of the Station who assumes this Agreement in writing. This Agreement shall be governed by the laws of the State of California without regard to principles of conflicts of laws. This Agreement may be signed in separate counterparts, each of which will be deemed a duplicate original. The parties agree that this Agreement may be delivered by email exchange of pdf files containing scans of the executed original counterparts of the Agreement. Neither party shall be deemed to be the agent, partner, or representative of the other party. This Agreement shall be binding upon, and shall inure to the benefit of, the parties' respective successors and permitted assigns.

[SIGNATURES ON FOLLOWING PAGE]

SIGNATURE PAGE TO LOCAL MANAGEMENT AND MARKETING AGREEMENT

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date set forth above.

OPERATOR:
By: 
Name: GTT PADRON
Title: PRESIDENT + CEO

PROGRAMMER:
By: 
Name: STEVEN MUELSTEIN
Title: CEO 