

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

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): December 26, 2023

SALEM MEDIA GROUP, INC.

(Exact Name of Registrant as Specified in its Charter)



Delaware
(State or Other Jurisdiction
of Incorporation)

000-26497
(Commission
File Number)

77-0121400
(IRS Employer
Identification No.)

**6400 NORTH BELT LINE ROAD
IRVING, TEXAS**
(Address of Principal Executive Offices)

75063
(Zip Code)

Registrant's telephone number, including area code: (469) 586-0080

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.01 par value per share	SALM	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

New Revolving Facility

On December 26, 2023, Salem Media Group, Inc. (the “Company”) and its subsidiaries entered into a Loan and Security Agreement (the “Loan and Security Agreement”) with Siena Lending Group LLC, as lender (the “New Revolving Lender”), pursuant to which the Company obtained \$26,000,000 of senior secured revolving credit commitments (the “New Revolving Facility”).

The commitments under the New Revolving Facility are scheduled to terminate on December 26, 2026. Loans under the New Revolving Facility bear interest at a rate equal to 1-month term SOFR plus 4.50%, subject to a SOFR floor of 4.30%. Unused commitments under the New Revolving Facility are subject to a fee equal to 0.35% per annum. Early termination of the commitments under the New Revolving Facility within the first 30 months after the closing date is subject to an early termination premium.

Extensions of credit under the New Revolving Facility are subject to a borrowing base calculated from the Company’s and its subsidiaries’ eligible accounts receivable and certain mortgaged real estate. The available commitments under the New Revolving Facility are subject to an initial availability block of \$3,000,000, which may be reduced to \$2,000,000 or \$0 depending on achievement of certain EBITDA targets.

Obligations under the New Revolving Facility are secured by a first-priority lien on the Company’s and its subsidiaries’ accounts receivable, inventory, deposit and securities accounts, certain real estate and related assets, and a second-priority lien on substantially all other assets of the Company and its subsidiaries, in accordance with the Intercreditor Agreement referred to below.

The Loan and Security Agreement includes customary affirmative and negative covenants (including reporting requirements), representations and warranties and events of default.

Intercreditor Agreement Amendment

On December 26, 2023, in connection with the New Revolving Facility, the New Revolving Lender and U.S. Bank National Association, as collateral agent with respect to the Company’s 7.125% Senior Secured Notes due 2028, entered into a First Amendment to Intercreditor Agreement (the “Intercreditor Agreement Amendment”), acknowledged by the Company and its subsidiaries, which amends the Intercreditor Agreement, dated as of May 19, 2017, originally entered into by the Prior Revolving Agent and U.S. Bank National Association, as notes collateral agent (as amended, supplemented or otherwise modified, including pursuant to the Intercreditor Agreement Amendment, the “Intercreditor Agreement”).

Copies of the Loan and Security Agreement and the Intercreditor Agreement Amendment are filed with this current report on Form 8-K as Exhibits 10.1 and 10.2, respectively, and incorporated by reference herein. The foregoing descriptions of the Loan and Security Agreement and the Intercreditor Agreement Amendment are qualified in their entirety by reference to the full text of the Loan and Security Agreement and the Intercreditor Agreement Amendment, respectively.

ITEM 1.02 TERMINATION OF A MATERIAL DEFINITIVE AGREEMENT

On December 26, 2023, the Company terminated its existing credit facility (the “Prior Revolving Facility”) with Wells Fargo Bank, National Association, as administrative agent (the “Prior Revolving Agent”), using the proceeds from borrowings under the Loan and Security Agreement to repay all amounts outstanding under the Prior Revolving Facility.

ITEM 2.03 CREATION OF A DIRECT FINANCIAL OBLIGATION OR AN OBLIGATION UNDER AN OFF-BALANCE SHEET ARRANGEMENT OF A REGISTRANT

As described above in Item 1.01, on December 26, 2023, the Company entered into the Loan and Security Agreement. The information included in Item 1.01 of this current report on Form 8-K under the heading “New Revolving Facility” is incorporated herein by reference into this Item 2.03.

ITEM 8.01 OTHER EVENTS

On December 27, 2023, the Company issued a press release announcing entry into the New Revolving Facility by the Company and its subsidiaries. A copy of the press release is being filed as Exhibit 99.1 to this current report on Form 8-K and is incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits. The following exhibits are filed with this current report on Form 8-K:

Exhibit No.	Description
10.1	<u>Loan and Security Agreement, dated as of December 26, 2023, among the Company and its subsidiaries, as borrowers, and Siena Lending Group LLC, as lender</u>
10.2	<u>First Amendment to Intercreditor Agreement, dated as of December 26, 2023, between Siena Lending Group LLC, as revolving lender, and U.S. Bank National Association, as notes collateral agent, and acknowledged by the Company and its subsidiaries</u>
99.1	<u>Press release, dated December 27, 2023, of Salem Media Group, Inc. entitled "Salem Media Group Announces New Revolving Credit Facility with Siena Lending Group"</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

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

Date: December 27, 2023

SALEM MEDIA GROUP, INC.

/s/ Christopher J. Henderson

Christopher J. Henderson

Executive Vice President, General Counsel and Secretary

LOAN AND SECURITY AGREEMENT

Dated as of December 26, 2023

among

SIENA LENDING GROUP LLC,
as Lender,

SALEM MEDIA GROUP, INC.,
SALEM COMMUNICATIONS HOLDING CORPORATION,
AIR HOT, INC.,
SALEM MANAGEMENT SERVICES, INC.,
HISPANOS COMMUNICATIONS, LLC,
SCA LICENSE CORPORATION,
SALEM RADIO OPERATIONS, LLC,
BISON MEDIA, INC.,
EAGLE PRODUCTS, LLC,
INSPIRATION MEDIA, INC.,
NEW INSPIRATION BROADCASTING COMPANY, INC.,
NEWS AGGREGATOR LLC,
NI ACQUISITION CORP.,
REACH SATELLITE NETWORK, INC.,
SALEM CONSUMER PRODUCTS, INC.,
SALEM MEDIA OF COLORADO, INC.,
SALEM MEDIA OF HAWAII, INC.,
SALEM MEDIA OF OHIO, INC.,
SALEM MEDIA OF OREGON, INC.,
SALEM MEDIA OF TEXAS, INC.,
SALEM MEDIA REPRESENTATIVES, INC.,
SALEM NEWS, INC.,
SALEM RADIO NETWORK INCORPORATED,
SRN STORE, INC.,
SALEM RADIO PROPERTIES, INC.,
SRN NEWS NETWORK, INC.,
INSPIRATION MEDIA OF TEXAS, LLC,
SALEM MEDIA OF ILLINOIS, LLC,
SALEM MEDIA OF MASSACHUSETTS, LLC,
SALEM MEDIA OF NEW YORK, LLC,
SALEM SATELLITE MEDIA, LLC,
SALEM WEB NETWORK, LLC,
SCA-PALO ALTO, LLC,

as Borrowers,

and

THE PARTIES FROM TIME TO TIME PARTY HERETO AS GUARANTORS,
as Guarantors

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Information Certificate

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Loan and Security Agreement

This Loan and Security Agreement (as it may be amended, restated or otherwise modified from time to time, this "**Agreement**") is entered into as of December 26, 2023 among (1) Siena Lending Group LLC, together with its successors and assigns ("**Lender**"), (2) Salem Media Group, Inc., a Delaware corporation ("**Parent**"), (3) the Subsidiaries of Parent identified on the signature pages hereof as "**Borrowers**", and those additional entities that hereafter become parties to this Agreement from time to time as Borrowers in accordance with the terms hereof (together with Parent, each, a "**Borrower**" and individually and collectively, jointly and severally, the "**Borrowers**") and (4) each of the Persons signatory to this Agreement from time to time as guarantors (each a "**Guarantor**" and collectively, the "**Guarantors**"). The Schedules and Exhibits to this Agreement are an integral part of this Agreement and are incorporated herein by reference. Terms used, but not defined elsewhere, in this Agreement are defined in Schedule B.

1. LOANS AND LETTERS OF CREDIT.

1.1 Amount of Revolving Loans / Letters of Credit. Subject to the terms and conditions contained in this Agreement, including Sections 1.3 and 1.6, Lender shall, from time to time prior to the Maturity Date, at Borrowing Agent's request, (i) make revolving loans to Borrowers ("**Revolving Loans**"), and (ii) make, or cause or permit a Participant (as defined in Section 10.10) to make, letters of credit ("**Letters of Credit**") available to Borrowers; **provided**, that after giving effect to each such Revolving Loan and each such Letter of Credit, (A) the outstanding balance of all Revolving Loans and the Letter of Credit Balance will not exceed the lesser of (x) the Maximum Revolving Facility Amount, **minus** Reserves, **minus** the Availability Block and (y) the Borrowing Base, and (B) none of the other Loan Limits for Revolving Loans will be exceeded. All Revolving Loans shall be made in and repayable in Dollars. Revolving Loans may be repaid and, subject to the terms and conditions of this Agreement, reborrowed at any time during the term of this Agreement.

1.2 Reserves re Revolving Loans / Letters of Credit. Lender may, with or without notice to Borrowing Agent, from time to time establish and revise reserves against the Borrowing Base or the Maximum Revolving Facility Amount in such amounts and of such types as Lender deems appropriate in its Permitted Discretion ("**Reserves**"); **provided** that the amount of any Reserve shall have a reasonable relationship to the event, condition, circumstance or fact that is the basis for such Reserve and shall not be duplicative of any other Reserve established and currently maintained. Such Reserves shall be available for Borrowing Agent to view in ABLServe simultaneously with the imposition thereof; **provided**, that, unless an Event of Default has occurred and is continuing, Lender shall provide email notice advising Borrowing Agent of such Reserves two (2) Business Days prior to the imposition of such Reserves (during which period (x) Lender shall be available to discuss any such proposed Reserves with the Borrowing Agent to afford the Borrowing Agent an opportunity to take such action as may be required so that the event, condition or circumstance that is the basis for such Reserve no longer exists in the manner and to the extent satisfactory to the Lender in its Permitted Discretion and (y) Borrowers may not obtain any new Revolving Loan or Letter of Credit to the extent that, after giving pro forma effect to such proposed Reserves, such Revolving Loan or Letter of Credit would cause the outstanding balance of all Revolving Loans and the Letter of Credit Balance to exceed the lesser of (a) the Maximum Revolving Facility Amount **minus** Reserves **minus** the Availability Block and (b) the Borrowing Base). Without limiting the foregoing, references to Reserves in this Agreement shall include the Dilution Reserve. In no event shall the establishment of a Reserve in respect of a particular actual or contingent liability obligate Lender to make advances to pay such liability or otherwise obligate Lender with respect thereto.

1.3 Protective Advances. Any contrary provision of this Agreement or any other Loan Document notwithstanding, Lender is hereby authorized by Borrowers at any time during the existence of a Default or an Event of Default, regardless of (a) whether any of the other applicable conditions precedent set forth in Section 1.6 hereof have not been satisfied or the commitment of Lender to make Loans hereunder has been terminated for any reason, or (b) any other contrary provision of this Agreement, to make Revolving Loans to, or for the benefit of, Borrowers that Lender, in its sole discretion, deems necessary or desirable (i) to preserve or protect the Collateral, or any portion thereof, (ii) to enhance the likelihood of, or maximize the amount of, repayment of the Loans and other Obligations, or (iii) to pay any other amount chargeable to Borrowers pursuant to the terms of this Agreement (the "**Protective Advances**"). Any contrary provision of this Agreement or any other Loan Document notwithstanding, Lender may direct the proceeds of any Protective Advance to Borrowers or to such other Person as Lender determines in its sole discretion. All Protective Advances shall be payable immediately upon demand.

1.4 Notice of Borrowing; Manner of Revolving Loan Borrowing. Borrowing Agent shall request each Revolving Loan by an Authorized Officer submitting such request via ABLServe (or, if requested by Lender, by delivering, in writing or via an Approved Electronic Communication, a Notice of Borrowing substantially in the form of Exhibit A hereto) (each such request a "**Notice of Borrowing**"). Subject to the terms and conditions of this Agreement, including Sections 1.1 and 1.6, Lender shall, except as provided in Section 1.3, deliver the amount of the Revolving Loan requested in the Notice of Borrowing for credit to any account of Borrowers at a bank in the United States of America as Borrowing Agent may specify (**provided** that such account must be one identified on Section 39 of the Information Certificate and approved by Lender as an account to be used for funding of loan proceeds) by wire transfer of immediately available funds (a) on the same day if the Notice of Borrowing is received by Lender on or before 12:00 p.m. Eastern Time on a Business Day, or (b) on the immediately following Business Day if the Notice of Borrowing is received by Lender after 12:00 p.m. Eastern Time on a Business Day, or is received by Lender on any day that is not a Business Day. Lender shall charge to the Lender's usual and customary fees for the wire transfer of each Loan.

1.5 Other Provisions Applicable to Letters of Credit. Lender shall, on the terms and conditions set forth in this Agreement (including the terms and conditions set forth in Section 1.1 and Section 1.6), make Letters of Credit available to Borrowers either by issuing them, or by causing other financial institutions to issue them supported by Lender's guaranty or indemnification; **provided**, that after giving effect to each Letter of Credit, the Letter of Credit Balance will not exceed the Letter of Credit Limit. Notwithstanding anything in this Agreement, the parties agree that in connection with Lender's option to make Letters of Credit available to Borrowers by causing other financial institutions to issue Letters of Credit, Lender may cause or permit any Participant under this Agreement to cause other financial institutions to issue such Letters of Credit and thereafter (a) all such Letters of Credit shall be treated for all purposes under this Agreement as if such Letters of Credit were requested by Borrowing Agent and made available by Lender, (b) such Participant's support of such Letters of Credit in the form of a guaranty or indemnification shall be treated as if such support had been made by Lender, (c) Borrowers hereby unconditionally and irrevocably, jointly and severally agree to pay to Lender the amount of each payment or disbursement made by such Participant or the applicable issuer under any such Letter of Credit honoring any demand for payment thereunder upon demand in accordance with the reimbursement provisions of this Section 1.5 and agrees that such reimbursement obligations of Borrowers constitute Obligations under this Agreement, and (d) any and all amounts paid by such Participant or the applicable issuer in respect of any such Letter of Credit will, at the election of Lender, be treated for all purposes as a Revolving Loan, and be payable, in the same manner as a Revolving Loan. Borrowers agree to execute all documentation reasonably required by Lender and/or the issuer of any Letter of Credit in connection with any such Letter of Credit. Borrowers hereby unconditionally and irrevocably, jointly and severally agree to reimburse Lender and/or the applicable issuer for each payment or disbursement made by Lender and/or the applicable issuer under any Letter of Credit honoring any demand for payment made thereunder, in each case on the date that such payment or disbursement is made. Borrowers' reimbursement obligations hereunder shall be irrevocable and unconditional under all circumstances, including (w) any lack of validity or enforceability of any Letter of Credit, this Agreement or any other Loan Document, (x) the existence of any claim, set-off, defense or other right which any Loan Party may have at any time against a beneficiary

named in a Letter of Credit, any transferee of any Letter of Credit (or any Person for whom any such transferee may be acting), Lender, any Participant, the applicable issuer under any Letter of Credit, or any other Person, whether in connection with any Letter of Credit, this Agreement, any other Loan Document, the transactions contemplated herein or any unrelated transactions (including any underlying transaction between any Loan Party and the beneficiary named in any Letter of Credit), (y) any lack of validity, sufficiency or genuineness of any document which Lender or the applicable issuer has determined complies on its face with the terms of the applicable Letter of Credit, even if such document should later prove to have been forged, fraudulent, invalid or insufficient in any respect or any statement therein shall have been untrue or inaccurate in any respect, or (z) the surrender or impairment of any security for the performance or observance of any of the terms hereof. Any and all amounts paid by Lender and any Participant in respect of a Letter of Credit will, at the election of Lender, be treated for all purposes as a Revolving Loan, and bear interest, and be payable, in the same manner as a Revolving Loan.

1.6 Conditions of Making the Loans and Issuing Letters of Credit. Lender's obligation to make any Loan or issue or cause any Letter of Credit to be issued under this Agreement is subject to the following conditions precedent (as well as any other conditions set forth in this Agreement or any other Loan Document), all of which must be satisfied in a manner acceptable to Lender (and as applicable, pursuant to documentation which in each case is in form and substance acceptable to Lender) as of each day that such Loan is made or such Letter of Credit is issued, as applicable:

(a) **Loans and Letters of Credit Made and/or Issued on the Closing Date:** With respect to Loans made, and/or Letters of Credit issued, on the Closing Date, (i) each applicable Loan Party shall have duly executed and/or delivered, or, as applicable, shall have caused such other applicable Persons to have duly executed and/or delivered, to Lender such agreements, instruments, documents and/or certificates listed on the closing checklist attached hereto as *Exhibit B*; (ii) Lender shall have completed its business and legal due diligence pertaining to the Loan Parties, their respective businesses and assets, with results thereof satisfactory to Lender in its sole discretion; (iii) Lender's obligations and commitments under this Agreement shall have been approved by Lender's Credit Committee; (iv) after giving effect to such Loans and Letters of Credit, as well as to the payment of all critical trade payables older than sixty (60) days past due and the consummation of all transactions contemplated hereby to occur on the Closing Date, closing costs and any book overdraft, Excess Availability shall be no less than \$4,000,000; (v) [reserved]; (vi) [reserved]; (vii) Borrowers shall have paid to Lender all fees due on the date hereof, and shall have paid or reimbursed Lender for all of Lender's reasonable and documented out-of-pocket costs, charges and expenses incurred through the Closing Date (and in connection herewith, Borrowers hereby irrevocably authorize Lender to charge such fees, costs, charges and expenses as Revolving Loans); and (viii) Lender shall have received (A) an opinion of the Loan Parties' counsel in form and substance satisfactory to Lender and (B) an opinion of the Loan Parties' FCC counsel in form and substance satisfactory to Lender; and

(b) **All Loans and/or Letters of Credit:** With respect to Loans made and/or Letters of Credit issued, on the Closing Date and/or at any time thereafter, in addition to the conditions specified in clause (a) above as applicable, (i) Borrowers shall have provided to Lender such information as Lender may require in order to determine the Borrowing Base, as of such borrowing or issue date, after giving effect to such Loans and/or Letters of Credit, as applicable; (ii) each applicable Loan Party shall have duly executed and/or delivered, or, as applicable, shall have caused such other applicable Persons to have duly executed and/or delivered, to Lender such further agreements, instruments, documents, proxies and certificates as Lender may require in connection therewith; (iii) each of the representations and warranties set forth in this Agreement and in the other Loan Documents shall be true and correct in all material respects (without duplication of materiality qualifiers therein) as of the date such Loan is made and/or such Letter of Credit is issued (or to the extent any representations or warranties are expressly made solely as of an earlier date, such representations and warranties shall be true and correct in all material respects (without duplication of materiality qualifiers therein) as of such earlier date), both before and after giving effect thereto; and (iv) no Default or Event of Default shall be in existence, both before and after giving effect thereto.

1.7 Repayments.

(a) **Revolving Loans/Letters of Credit.** If at any time for any reason whatsoever (including without limitation as a result of currency fluctuations) (i) the sum of the outstanding balance of all Revolving Loans and the Letter of Credit Balance exceeds the lesser of (x) the Maximum Revolving Facility Amount and (y) the Borrowing Base, or (ii) any of the Loan Limits for Revolving Loans or Letters of Credit are exceeded, then in each case, Borrowers will immediately and jointly and severally pay to Lender such amounts (or, with respect to the Letter of Credit Balance, provide cash collateral to Lender in the manner set forth in clause (c) below) as shall cause Borrowers to eliminate such excess (such excess, an “*Overadvance*”).

(b) **[Reserved].**

(c) **Maturity Date Payments / Cash Collateral.** All remaining outstanding monetary Obligations (including, all accrued and unpaid fees described in the Fee Letter) shall be payable in full on the Maturity Date. Without limiting the generality of the foregoing, if, on the Maturity Date, there are any outstanding Letters of Credit, then on such date Borrowers shall provide to Lender cash collateral in an amount equal to 103% of the Letter of Credit Balance to secure all of the Obligations (including estimated out-of-pocket attorneys’ fees and other expenses) relating to said Letters of Credit, pursuant to a cash pledge agreement in form and substance reasonably satisfactory to Lender.

(d) **Currency Due.** If, notwithstanding the terms of this Agreement or any other Loan Document, Lender receives any payment from or on behalf of Borrowers or any other Person in a currency other than the Currency Due, Lender may convert the payment (including the monetary proceeds of realization upon any Collateral and any funds then held in a cash collateral account) into the Currency Due at an exchange rate selected by Lender in the manner contemplated by Section 6.2(b) and Borrowers shall jointly and severally reimburse Lender on demand for all reasonable costs it incurs with respect thereto. To the extent permitted by law, the obligation shall be satisfied only to the extent of the amount actually received by Lender upon such conversion.

1.8 Prepayments / Voluntary Termination / Application of Prepayments.

(a) **Certain Mandatory Prepayment Events.** In each case subject to the Intercreditor Agreement, Borrowers shall be required to prepay the unpaid principal balance of the Revolving Loans within three (3) Business Days following the date of each and every Prepayment Event (and within three (3) Business Days following any date thereafter on which proceeds pertaining thereto are received by any Loan Party), in each case without any demand or notice from Lender or any other Person, all of which is hereby expressly waived by Borrowers, in the amount of 100% of the cash proceeds (net of documented reasonable out-of-pocket costs and expenses incurred in connection with the collection of such proceeds, in each case payable to Persons that are not Affiliates of any Loan Party) received by any Loan Party with respect to such Prepayment Event; *provided*, that with respect to a Prepayment Event of the type described in clauses (a) or (b) of the definition of Prepayment Event, so long as no Default or Event of Default exists, to the extent that the proceeds received by such Person as a result of such Prepayment Event do not exceed \$500,000 in the aggregate during any Fiscal Year and are actually applied within 180 days of such receipt to (x) replace the property or assets subject to such Prepayment Event with property and/or assets performing the same or similar functions, (y) repair, replace or reconstruct property and/or assets damaged by such Prepayment Event, or (z) purchase or construct other assets useful in the business of Parent and its Subsidiaries and not otherwise prohibited by the terms of this Agreement, such proceeds shall not be required to prepay the Loans pursuant to this Section 1.8(a) (pending such reinvestment such proceeds shall be held in a Blocked Account; *provided* to the extent such proceeds are not reinvested within such 180 day period, or any Default or Event of Default occurs during such period, Lender shall apply such proceeds as a prepayment of the Loans).

(b) **Voluntary Termination of Loan Facilities.** Borrowers may, on at least ten (10) Business Days prior and irrevocable written notice received by Lender, permanently terminate the Loan facilities by repaying all of the outstanding Obligations, including all principal, interest and fees with respect to the Revolving Loans and an Early Payment/Termination Premium in the amount specified in the paragraph under the heading "Early Prepayment/Termination Premium" in the Fee Letter; the foregoing notwithstanding, a Borrower may rescind such notice if it states that the proposed payment in full of the Obligations is to be made with the proceeds of third party Indebtedness and if the closing for such Indebtedness does not happen on or before the date of the proposed termination set forth in such notice (in which case, a new notice shall be required to be sent in connection with any subsequent termination). If, on the date of a voluntary termination pursuant to this Section 1.8(b), there are any outstanding Letters of Credit, then on such date, and as a condition precedent to such termination, Borrowers shall provide to Lender cash collateral in an amount equal to 103% of the Letter of Credit Balance to secure all of the Obligations (including estimated out-of-pocket attorneys' fees and other expenses) relating to said Letters of Credit, pursuant to a cash pledge agreement in form and substance reasonably satisfactory to Lender. From and after such date of termination, Lender shall have no obligation whatsoever to extend any additional Loans or Letters of Credit and all of its lending commitments hereunder shall be terminated.

(c) **Voluntary Prepayments.** Borrowers may prepay the principal of any Revolving Loan at any time in whole or in part, without premium or penalty so long as there is no corresponding reduction of the commitments hereunder.

1.9 Obligations Unconditional.

(a) The payment and performance of all Obligations shall constitute the absolute and unconditional obligations of each Loan Party and shall be independent of any defense or rights of set-off, recoupment or counterclaim which any Loan Party or any other Person might otherwise have against Lender or any other Person. All payments required by this Agreement and/or the other Loan Documents shall be made in Dollars (unless payment in a different currency is expressly provided otherwise in the applicable Loan Document).

(b) If, at any time and from time to time after the Closing Date (or at any time before or after the Closing Date with respect to (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines or directives thereunder or issued in connection therewith, or (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 regulatory authorities, in each case for purposes of this clause (y) pursuant to Basel III, regardless of the date enacted, adopted or issued), (i) any change in any existing law, regulation, treaty or directive or in the interpretation or application thereof, (ii) any new law, regulation, treaty or directive enacted or application thereof, or (iii) compliance by Lender with any request or directive (whether or not having the force of law) from any Governmental Authority, central bank or comparable agency (A) subjects Lender to any tax, levy, impost, deduction, assessment, charge or withholding of any kind whatsoever with respect to any Loan Document, or changes the basis of taxation of payments to Lender of any amount payable thereunder (other than (1) Indemnified Taxes, (2) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (3) Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes), or (B) imposes on Lender any other condition or increased cost (other than Taxes) in connection with the transactions contemplated thereby or participations therein, and the result of any of the foregoing is to increase the cost to Lender of making or continuing any Loan or Letter of Credit or to reduce any amount receivable

hereunder or under any other Loan Documents, then, in any such case, Borrowers shall promptly and jointly and severally pay to Lender, when notified to do so by Lender, any additional amounts necessary to compensate Lender, for such additional cost or reduced amount as determined by Lender. Each such notice of additional amounts payable pursuant to this Section 1.9(b) submitted by Lender to Borrowing Agent shall, absent manifest error, be final, conclusive and binding for all purposes.

(c) This Section 1.9 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Obligations.

1.10 Reversal of Payments. To the extent that any payment or payments made to or received by Lender pursuant to this Agreement or any other Loan Document are subsequently invalidated, declared to be fraudulent or preferential, set aside, or required to be repaid to any trustee, receiver or other Person under any state, federal or other bankruptcy or other such applicable law, then, to the extent thereof, such amounts (and all Liens, rights and remedies therefor) shall be revived as Obligations (secured by all such Liens) and continue in full force and effect under this Agreement and under the other Loan Documents as if such payment or payments had not been received by Lender. This Section 1.10 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Obligations.

2. INTEREST AND FEES; LOAN ACCOUNT.

2.1 Interest.

(a) All Loans and other monetary Obligations shall bear interest at the interest rate(s) set forth in Section 3 of Schedule A, and accrued interest shall be payable (a) on the first day of each month in arrears, (b) upon a prepayment of such Loan in accordance with Section 1.8, and (c) on the Maturity Date; **provided**, that after the occurrence and during the continuation of an Event of Default, at Lender's election, all Loans and other monetary Obligations shall bear interest at a rate per annum equal to three (3) percentage points in excess of the rate otherwise applicable thereto (the "**Default Rate**"), and all such interest shall be payable on demand. Changes in the interest rate shall be effective as of the date of any change in the Base Rate or Term SOFR, as applicable. Subject to the terms and conditions set forth herein, all Loans shall be Term SOFR Loans or under the circumstances set forth in Section 2.1(d) or (e), Base Rate Loans; **provided**, that if an Event of Default has occurred and is continuing, the interest rate applicable to all Loans and other Obligations may be converted to the Base Rate at the election of the Lender.

(b) Any Term SOFR Loans shall bear interest at Term SOFR for a period commencing on the first day of a calendar month and ending on the last day of such calendar month (the "Interest Period") unless and until converted to Loans bearing interest at the Base Rate in accordance with Section 2.1(a), above or Section 2.1(d) or Section 2.1(e) below.

(c) Term SOFR may be adjusted by Lender on a prospective basis to take into account any increased costs due to changes in applicable law occurring subsequent to the commencement of the then applicable Interest Period (other than changes in tax laws, which shall be governed by Section 1.9 and Section 9.1) and changes in the reserve requirements imposed by the Board of Governors of the Federal Reserve System (or any successor), which additional or increased costs would increase the cost of maintaining loans under this Agreement bearing interest based upon Term SOFR. In any such event, Lender shall give Borrowers notice of such a determination and adjustment and, upon its receipt of the notice from Lender, Borrowers may, by notice to Lender (A) require Lender to furnish to Borrowers a statement setting forth the basis for adjusting Term SOFR and the method for determining the amount of such adjustment or (B) repay the portion of the Loans bearing interest based upon Term SOFR with respect to which such adjustment is made. Upon any such repayment, Borrowers shall also pay accrued interest on the amount so repaid.

(d) If Lender determines that any law has made it unlawful, or that any governmental authority has asserted that it is unlawful, for Lender or its applicable lending office to maintain any Loan with interest determined by reference to Term SOFR, or to determine or charge interest rates based upon Term SOFR, then, upon notice thereof by Lender to Borrowers, any obligation of Lender to maintain any Term SOFR Loan shall be suspended until Lender notifies Borrowers that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, Borrowers shall, upon demand from Lender, convert the Term SOFR Loans to loans bearing interest at the Base Rate, either on the last day of the applicable Interest Period, if Lender may lawfully continue to maintain such Term SOFR Loans to such day, or immediately, if Lender may not lawfully continue to maintain such Term SOFR Loans until Lender determines that it is no longer illegal for Lender to determine or charge interest rates based upon Term SOFR. Upon any such conversion, Borrowers shall also pay accrued interest on the amount so converted.

(e) Notwithstanding anything to the contrary in this Agreement or any other Loan Documents, but without limiting Section 2.1(d) above, if Lender determines (which determination shall be conclusive and binding upon all parties hereto absent manifest error), that:

(i) adequate and reasonable means do not exist for ascertaining Term SOFR for any Interest Period because Term SOFR is not available or published on a current basis and such circumstances are unlikely to be temporary; or

(ii) the SOFR Administrator or a Governmental Authority having jurisdiction over Lender has made a public statement identifying a specific date after which Term SOFR shall no longer be made available, or used for determining the interest rate of loans; *provided*, that, at the time of such statement, there is no successor administrator that is satisfactory to Lender, that will continue to provide Term SOFR after such specific date (such specific date, the "Scheduled Unavailability Date"); or

(iii) syndicated loans currently being executed, or that include language similar to that contained in this Section 2.1(e), are being executed or amended (as applicable) to incorporate or adopt a new benchmark interest rate to replace Term SOFR;

then, reasonably promptly after such determination by Lender, Lender may amend this Agreement to replace Term SOFR with (A) the Base Rate, or (B) if administratively feasible and acceptable to Lender in its discretion (and if no Event of Default shall be continuing, after consultation with Borrower) (1) one or more other SOFR-Based Rates or (2) 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 benchmarks 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 benchmarks (such as the margin applicable thereto) which adjustment or method for calculating such adjustment shall be published on an information service as selected by Lender (and if no Event of Default shall be continuing, after consultation with Borrower) from time to time in its reasonable discretion and may be periodically updated (the "Adjustment"; and any such proposed rate, a "Term SOFR Successor Rate"). Any such amendment shall become effective at 5:00 p.m. on the fifth Business Day after Lender shall have posted such proposed amendment to Borrowers. Such Term SOFR 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 Lender, such Term SOFR Successor Rate shall be applied in a manner as otherwise reasonably determined by Lender. If no Term SOFR Successor Rate has been determined and the circumstances under clause (e)(i) above exist or the Scheduled Unavailability Date has occurred (as applicable), the Lender will promptly so notify Borrowers. Thereafter, the obligation of the Lender to make or maintain Term SOFR Loans shall be suspended (to the extent of the affected Term SOFR Loans or Interest Period). Upon receipt of such notice, Borrowers may revoke any pending request for a borrowing of Term SOFR Loans (to the extent of the affected Term SOFR Loans or Interest Period) or, failing that, will be deemed to have converted such request into a request for

Loans bearing interest at the Base Rate in the amount specified therein. In connection with the implementation of a Term SOFR Successor Rate, Lender will have the right to make Term SOFR Successor Rate Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Term SOFR Successor Rate Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

Anything to the contrary contained herein notwithstanding, Lender is not required actually to match fund any Obligation as to which interest accrues based on Term SOFR.

2.2 Fees. Borrowers shall jointly and severally pay Lender the fees set forth in the Fee Letter on the dates set forth therein, which fees are in addition to all fees and other sums payable by Borrowers or any other Person to Lender under this Agreement or under any other Loan Document, and, in each case are not refundable once paid.

2.3 Computation of Interest and Fees. All interest and fees shall be calculated daily on the outstanding monetary Obligations based on the actual number of days elapsed in a year of 360 days.

2.4 Loan Account; Monthly Accountings. Lender shall maintain a loan account for Borrowers reflecting all outstanding Loans and the Letter of Credit Balance, along with interest accrued thereon and such other items reflected therein (the "**Loan Account**"), and shall provide Borrowing Agent with a monthly accounting reflecting the activity in the Loan Account, viewable by Borrowing Agent on ABLServe. Absent manifest error, each accounting shall be deemed correct, accurate and binding on Borrowers and an account stated (except for reverses and reapplications of payments made and corrections of errors discovered by Lender), unless Borrowing Agent notifies Lender in writing to the contrary within thirty (30) days after such account is rendered, describing the nature of any alleged errors or omissions. However, Lender's failure to maintain the Loan Account or to provide any such accounting shall not affect the legality or binding nature of any of the Obligations. Interest, fees and other monetary Obligations due and owing under this Agreement (including fees and other amounts paid by Lender to issuers of Letters of Credit) may, in Lender's discretion, be charged to the Loan Account, and will thereafter be deemed to be Revolving Loans and will bear interest at the same rate as other Revolving Loans.

2.5 Further Obligations; Maximum Lawful Rate. With respect to all monetary Obligations for which the interest rate is not otherwise specified herein (whether such Obligations arise hereunder or under any other Loan Document, or otherwise), such Obligations shall bear interest at the rate(s) in effect from time to time with respect to the applicable Loan to which such Obligations relate and shall be payable upon demand by Lender. In no event shall the interest charged with respect to any Loan or any other Obligation exceed the maximum amount permitted under applicable law. Notwithstanding anything to the contrary herein or elsewhere, if at any time the rate of interest payable or other amounts hereunder or under any other Loan Document (the "**Stated Rate**") would exceed the highest rate of interest or other amount permitted under any applicable law to be charged (the "**Maximum Lawful Rate**"), then for so long as the Maximum Lawful Rate would be so exceeded, the rate of interest and other amounts payable shall be equal to the Maximum Lawful Rate; **provided**, that if at any time thereafter the Stated Rate is less than the Maximum Lawful Rate, Borrowers shall, to the extent permitted by applicable law, continue to pay interest and such other amounts at the Maximum Lawful Rate until such time as the total interest and other such amounts received is equal to the total interest and other such amounts which would have been received had the Stated Rate been (but for the operation of this provision) the interest rate payable or such other amounts payable. Thereafter, the interest rate and such other amounts payable shall be the Stated Rate unless and until the Stated Rate again would exceed the Maximum Lawful Rate, in which event this provision shall again apply. In no event shall the total interest or other such amounts received by Lender exceed the amount which it could lawfully have received had the interest and other such amounts been calculated for the full term hereof at the Maximum Lawful Rate. If, notwithstanding the prior sentence, Lender has received interest or other such amounts hereunder in excess of the Maximum Lawful Rate, such excess amount shall

be applied to the reduction of the principal balance of the Loans or to other Obligations (other than interest) payable hereunder, and if no such principal or other Obligations are then outstanding, such excess or part thereof remaining shall be paid to Borrowers. In computing interest payable with reference to the Maximum Lawful Rate applicable to Lender, such interest shall be calculated at a daily rate equal to the Maximum Lawful Rate divided by the number of days in the year in which such calculation is made.

3. SECURITY INTEREST GRANT / POSSESSORY COLLATERAL / FURTHER ASSURANCES.

3.1 Grant of Security Interest. To secure the full payment and performance of all of the Obligations and subject to the Intercreditor Agreement, each Loan Party hereby assigns to Lender and grants to Lender a continuing security interest in all property of such Loan Party, whether tangible or intangible, real or personal, now or hereafter owned, existing, acquired or arising and wherever now or hereafter located, and whether or not eligible for lending purposes, including: (a) all Accounts (whether or not Eligible Billed Accounts or Eligible Unbilled Accounts) and all Goods whose sale, lease or other disposition by such Loan Party has given rise to Accounts and have been returned to, or repossessed or stopped in transit by, such Loan Party; (b) all Chattel Paper (including Electronic Chattel Paper), Instruments, Documents, and General Intangibles (including all patents, patent applications, trademarks, trademark applications, trade names, trade secrets, goodwill, copyrights, copyright applications, registrations, licenses, software, franchises, customer lists, tax refund claims, claims against carriers and shippers, guarantee claims, contracts rights, payment intangibles, security interests, security deposits and rights to indemnification); (c) all Inventory; (d) all Goods (other than Inventory), including Equipment, Farm Products, Health-Care-Insurance Receivables, vehicles, and Fixtures; (e) all Investment Property, including, without limitation, all rights, privileges, authority, and powers of such Loan Party as an owner or as a holder of Pledged Equity, including, without limitation, all economic rights, all control rights, authority and powers, and all status rights of such Loan Party as a member, equity holder or shareholder, as applicable, of each Issuer; (f) all Deposit Accounts, bank accounts, deposits and cash; (g) all Letter-of-Credit Rights; (h) all Commercial Tort Claims listed in Section 40 of the Information Certificate; (i) all Supporting Obligations; (j) any other property of such Loan Party now or hereafter in the possession, custody or control of Lender or any agent or any parent, Affiliate or Subsidiary of Lender, for any purpose (whether for safekeeping, deposit, collection, custody, pledge, transmission or otherwise), and (k) all additions and accessions to, substitutions for, and replacements, products and Proceeds of the foregoing property, including proceeds of all insurance policies insuring the foregoing property, and all of such Loan Party's books and records relating to any of the foregoing and to such Loan Party's business. Notwithstanding the foregoing, no Loan Party shall pledge, and the Collateral shall not include, (i) Equipment or other property owned by any Loan Party on the date hereof or hereafter acquired that is subject to a Lien securing capitalized leases and purchase money Indebtedness permitted to be incurred pursuant to clause (a) of the definition of Permitted Liens to the extent and for so long as the documentation providing for such capitalized leases and purchase money Indebtedness prohibits the creation of a Lien on such assets (other than to the extent that any such term or prohibition would be rendered ineffective after giving effect to Section 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) or any other applicable law (including the Bankruptcy Code), (ii) any United States intent-to-use trademark applications to the extent that the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable Federal law, (iii) assets and property to the extent such assets and property are subject to a term or a rule of law, statute or regulation that restricts, prohibits, or requires a consent (that has not been obtained) of a Person (other than such Loan Party) to, the creation, attachment or perfection of the security interest granted herein, and any such restriction, prohibition and/or requirement of consent is effective and enforceable under applicable law and is not rendered ineffective by applicable law (including, without limitation, pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC), (iv) any FCC Licenses to the extent (but only to the extent) that at such time Lender may not validly possess a security interest directly in the FCC Licenses pursuant to Communications Laws as in effect at such time, provided that this exclusion shall in no way be construed

to apply if any such prohibition is unenforceable under other applicable law or so as to limit, impair or otherwise affect Lender's unconditional continuing security interests in and liens upon the economic value of the FCC Licenses, all rights incident or appurtenant to the FCC Licenses and the right to receive all monies, consideration, receivables and proceeds derived from or in connection with the sale, assignment or transfer of the FCC Licenses, and (v) any (A) individual parcel of leased real property or (B) individual parcel of owned real property of such Loan Party having a fair market value not in excess of \$2,000,000; *provided*, that with respect to any such limitation described in the foregoing clauses (i) and (iii) (1) upon the request of Lender, such Loan Party shall use commercially reasonable efforts to obtain any requisite consent for the creation of such Lien in favor of Lender on, such property, (2) immediately upon the ineffectiveness, lapse or termination of any such restriction, the Collateral shall include, and such Loan Party shall be deemed to have granted a Lien on such property under the applicable Loan Documents as if such restriction had never been in effect, and (3) notwithstanding any such restriction, the Collateral shall, to the extent such restriction does not by its terms apply thereto and such rights and proceeds do not otherwise constitute Excluded Collateral, include all rights incident or appurtenant to any such property, and the right to receive all proceeds derived from, or in connection with the sale, assignment or transfer of, such property (collectively, "*Excluded Collateral*").

3.2 Possessory Collateral. Subject to the Intercreditor Agreement (including with respect to the corresponding obligations to the Senior Secured Note Agent), promptly, but in any event no later than five (5) Business Days after any Loan Party's receipt of any portion of the Collateral evidenced by an agreement, Instrument or Document, including any Tangible Chattel Paper, in each case with an aggregate value in excess of \$500,000, and any Investment Property consisting of Certificated Securities, such Loan Party shall deliver the original thereof to Lender together with an appropriate endorsement or other specific evidence of assignment thereof to Lender (in form and substance acceptable to Lender). Subject to the Intercreditor Agreement, if an endorsement or assignment of any such items shall not be made for any reason, Lender is hereby irrevocably authorized, as attorney and agent-in-fact (coupled with an interest) for each Loan Party, to endorse or assign the same on such Loan Party's behalf.

3.3 Further Assurances.

(a) Each Loan Party will, at the time that any Loan Party forms any direct or indirect Subsidiary or acquires any direct or indirect Subsidiary after the Closing Date, within ten (10) days of such event (or such later date as permitted by Lender in its sole discretion) (i) cause such new Subsidiary to become a Loan Party and to grant Lender a first priority Lien (subject to Permitted Liens and the terms of the Intercreditor Agreement) in and to the assets of such newly formed or acquired Subsidiary), (ii) provide, or cause the applicable Loan Party to provide, to Lender a pledge agreement and appropriate certificates and powers or financing statements, pledging all of the direct or beneficial ownership interest in such new Subsidiary in form and substance reasonably satisfactory to Lender (which pledge, if reasonably requested by Lender and subject to the terms of the Intercreditor Agreement, shall be governed by the laws of the jurisdiction of such Subsidiary), and (iii) provide to Lender all other documentation, including one or more opinions of counsel reasonably satisfactory to Lender, which, in its reasonable opinion, is appropriate with respect to the execution and delivery of the applicable documentation referred to above (including policies of title insurance, flood certification documentation or other documentation reasonably required with respect to all Real Estate owned in fee and subject to a mortgage). Any document, agreement, or instrument executed or issued pursuant to this Section 3.3 shall constitute a Loan Document.

(b) Each Loan Party will, and will cause each of the other Loan Parties to, at any time upon the reasonable request of Lender, execute or deliver to Lender any and all financing statements, fixture filings, security agreements, pledges, assignments, mortgages, deeds of trust, opinions of counsel, and all other documents (the "*Additional Documents*") that Lender may reasonably request in form and substance reasonably satisfactory to Lender, to create, perfect, and continue to be perfected or to better perfect Lender's Liens in all of the assets of each of the Loan Parties (whether now owned or hereafter arising or

acquired, tangible or intangible, real or personal), to create and perfect Liens in favor of Lender in any Real Estate acquired by any other Loan Party with a fair market value in excess of \$2,000,000. To the maximum extent permitted by applicable law, if any Borrower or any other Loan Party refuses or fails to execute or deliver any reasonably requested Additional Documents within a reasonable period of time following the request to do so, each Borrower and each other Loan Party hereby authorizes Lender to execute any such Additional Documents in the applicable Loan Party's name and authorizes Lender to file such executed Additional Documents in any appropriate filing office.

(c) Each Loan Party shall, at its own cost and expense, promptly and duly take, execute, acknowledge and deliver (and/or use commercially reasonable efforts to cause such other applicable Person to take, execute, acknowledge and deliver) all such further acts, documents, agreements and instruments as Lender shall deem reasonably necessary in order to (i) carry out the intent and purposes of the Loan Documents and the transactions contemplated thereby, (ii) establish, create, preserve, protect and perfect a first priority lien (subject only to Permitted Liens) in favor of Lender in all Collateral (wherever located) from time to time owned by the Loan Parties, (iii) cause each Loan Party to guarantee all of the Obligations, all pursuant to documentation that is in form and substance satisfactory to Lender in its Permitted Discretion and (iv) facilitate the collection of the Collateral. Without limiting the foregoing, each Loan Party shall, at its own cost and expense, promptly and duly take, execute, acknowledge and deliver (and/or use commercially reasonable efforts to cause such other applicable Person to take, execute, acknowledge and deliver) to Lender all promissory notes, security agreements, agreements with landlords (subject to Section 5.3), mortgagees and processors and other bailees, subordination and intercreditor agreements and other agreements, instruments and documents, in each case in form and substance reasonably acceptable to Lender, as Lender may reasonably request from time to time to perfect, protect, and maintain Lender's security interests in the Collateral, including the required priority thereof, and to fully carry out the transactions contemplated by the Loan Documents.

3.4 UCC Financing Statements. Each Loan Party authorizes Lender to file, transmit, or communicate, as applicable, from time to time, Uniform Commercial Code financing statements, along with amendments and modifications thereto, in all filing offices selected by Lender, listing such Loan Party as the debtor and Lender as the secured party, and describing the collateral covered thereby in such manner as Lender may elect, including using descriptions such as "all personal property of debtor" or "all assets of debtor" or words of similar effect.

4. CERTAIN PROVISIONS REGARDING ACCOUNTS, COLLECTIONS, APPLICATIONS OF PAYMENTS, INSPECTION RIGHTS, AND APPRAISALS.

4.1 Lock Boxes and Blocked Accounts. Each Loan Party hereby represents and warrants that all Deposit Accounts and all other depository and other accounts maintained by each Loan Party as of the Closing Date are described in Section 39 of the Information Certificate, which description includes for each such account the name of the Loan Party maintaining such account, the name, of the financial institution at which such account is maintained, the account number, and the purpose of such account. Prior to opening any new Deposit Accounts or any other depository or other accounts after the Closing Date, Borrowers shall first notify Lender and not deposit any funds or securities in excess of \$25,000 in the aggregate into such new accounts until such account is subject to a control agreement in favor of Lender, whereupon, Section 39 of the Information Certificate(s) shall be deemed to be updated to include such new account without the taking of any further action by any party hereto.

No Deposit Accounts or other accounts of any Loan Party shall at any time constitute a Restricted Account other than accounts expressly indicated on Section 39 of the Information Certificate as being a Restricted Account (and each Loan Party hereby represents and warrants that each such account shall at all times meet the requirements set forth in the definition of Restricted Account to qualify as a Restricted Account). Each Loan Party will, at its expense, establish (and revise from time to time as Lender may

require) procedures acceptable to Lender, in Lender's Permitted Discretion, for the collection of checks, wire transfers and all other proceeds of all of such Loan Party's Accounts and, subject to the Intercreditor Agreement, other Collateral ("**Collections**"), which shall include (a) directing all Account Debtors to send all Account proceeds directly to a post office box designated by Lender either in the name of such Loan Party (but as to which Lender has exclusive access) or, at Lender's option, in the name of Lender (a "**Lock Box**"), and/or (b) depositing all Collections received by such Loan Party into one or more bank accounts maintained in the name of such Loan Party (but as to which Lender has exclusive access) or, at Lender's option, in the name of Lender (each, a "**Blocked Account**"), under an arrangement acceptable to Lender with a depository bank acceptable to Lender, pursuant to which all funds deposited into each Blocked Account are to be transferred to Lender in such manner, and with such frequency, as Lender shall specify, and/or (c) a combination of the foregoing. Each Loan Party agrees to execute, and to cause its depository banks and other account holders to execute, such Lock Box and Blocked Account control agreements and other documentation as Lender shall require from time to time in connection with the foregoing, all in form and substance acceptable to Lender, and in any event such arrangements and documents must be in place on the date hereof with respect to accounts in existence on the date hereof, or prior to any such account being opened with respect to any such account opened after the date hereof, in each case excluding Restricted Accounts. On the Closing Date, each Loan Party shall provide Lender with online read-only access to such Loan Party's Deposit Accounts and investment accounts constituting securities accounts and maintain such access in effect for Lender throughout the term of this Agreement and until all Obligations have been paid in full, all in a manner acceptable to Lender in its Permitted Discretion. Prior to the Closing Date, Borrowing Agent shall deliver to Lender a complete and executed Authorized Accounts form regarding Borrowers' operating account(s) into which the proceeds of Loans are to be paid in the form of Exhibit D annexed hereto.

4.2 Application of Payments. All amounts paid to or received by Lender in respect of the monetary Obligations, from whatever source (whether from any Borrower or any other Loan Party pursuant to such other Loan Party's guaranty of the Obligations, any realization upon any Collateral, or otherwise) shall, unless otherwise directed by Borrowing Agent with respect to any particular payment (unless an Event of Default shall then be continuing, in which event Lender may disregard Borrowing Agent's direction), be applied by Lender to the Obligations in such order as Lender may elect, and absent such election shall be applied as follows:

(a) FIRST, to reimburse Lender for all out-of-pocket costs and expenses, and all indemnified losses, incurred by Lender which are reimbursable to Lender in accordance with this Agreement and/or any of the other Loan Documents,

(b) SECOND, to any accrued but unpaid interest on any Protective Advances,

(c) THIRD, to the outstanding principal of any Protective Advances,

(d) FOURTH, to any accrued but unpaid fees owing to Lender under this Agreement and/or any other Loan Documents,

(e) FIFTH, to any unpaid accrued interest on the Obligations,

(f) SIXTH, to the outstanding principal of the Obligations, and, to the extent required by this Agreement, to cash collateralize the Letter of Credit Balance, and

(g) SEVENTH, to the payment of any other outstanding Obligations; and after payment in full in cash of all of the outstanding monetary Obligations, any further amounts paid to or received by Lender in respect of the Obligations (so long as no monetary Obligations are outstanding) shall be paid over to Borrowers or such other Person(s) as may be legally entitled thereto. For purposes of determining the

Borrowing Base, such amounts will be credited to the Loan Account and the Collateral balances to which they relate upon Lender's receipt of an advice from Lender's Bank (set forth in Section 5 of Schedule A) that such items have been credited to Lender's account at Lender's Bank (or upon Lender's deposit thereof at Lender's Bank in the case of payments received by Lender in kind), in each case subject to final payment and collection. However, for purposes of computing interest on the Obligations, such items shall be deemed applied by Lender three (3) Business Days after Lender's receipt of advice of deposit thereof at Lender's Bank.

4.3 Notification; Verification. Lender or its designee may, from time to time, (a) whether or not a Default or Event of Default has occurred, verify directly with the Account Debtors of the Loan Parties (or by any reasonable manner and through any reasonable medium Lender considers advisable in the exercise of its Permitted Discretion) the validity, amount and other matters relating to the Accounts and Chattel Paper of the Loan Parties, by means of mail, telephone or otherwise, either in the name of the applicable Loan Party or Lender or such other name as Lender may choose, (b) following the occurrence and during the continuance of an Event of Default: (i) notify Account Debtors of the Loan Parties that Lender has a security interest in the Accounts of the Loan Parties, (ii) require any Loan Party to cause all invoices and statements which it sends to Account Debtors or other third parties to be marked, in a manner satisfactory to Lender, to reflect Lender's security interest therein and payment instructions acceptable to Lender (iii) direct such Account Debtors to make payment thereof directly to Lender; such notification to be sent on the letterhead of such Loan Party and substantially in the form of Exhibit E annexed hereto; and (iv) demand, collect or enforce payment of any Accounts and Chattel Paper (but without any duty to do so). Each Loan Party hereby authorizes Account Debtors, upon the occurrence and during the continuance of an Event of Default, to make payments directly to Lender and to rely on notice from Lender without further inquiry. Lender may, upon the occurrence and during the continuance of an Event of Default, on behalf of each Loan Party, endorse all items of payment received by Lender that are payable to such Loan Party for the purposes described above.

4.4 Power of Attorney.

Each Loan Party hereby grants to Lender an irrevocable power of attorney, coupled with an interest, authorizing and permitting Lender (acting through any of its officers, employees, attorneys or agents), at Lender's option (and solely with respect to any actions taken by Lender under Section 4.4(a) below, in the exercise of its Permitted Discretion), but without obligation, with or without notice to such Loan Party, and at such Loan Party's expense, to do any or all of the following, in such Loan Party's name or otherwise:

(a) (i) execute on behalf of such Loan Party any documents that Lender may deem reasonably necessary in order to perfect, protect and maintain Lender's security interests, and priority thereof, in the Collateral (including such financing statements and continuation financing statements, and amendments or other modifications thereto, as Lender shall deem necessary or appropriate); (ii) endorse such Loan Party's name on all checks and other forms of remittances received by Lender; (iii) receive and otherwise take control in any manner of any cash or non-cash items of payment or Proceeds of Collateral; (iv) endorse or assign to Lender on such Loan Party's behalf any portion of Collateral evidenced by an agreement, Instrument or Document if an endorsement or assignment of any such items is not made by Borrowers pursuant to Section 3.2; and (v) receive, open and process all mail addressed to such Loan Party at any post office box/lockbox maintained by Lender for such Loan Party or at any other business premises of Lender with Collections to be promptly transferred to the Blocked Account and any mail unrelated to Collections to be promptly remitted to such Loan Party along with copies of all other mail addressed to such Loan Party and received by Lender; and

(b) after the occurrence and during the continuance of an Event of Default and subject to the terms and conditions of Section 7 of this Agreement: (i) execute on behalf of such Loan Party any document exercising, transferring or assigning any option to purchase, sell or otherwise dispose of or lease (as lessor or lessee) any real or personal property which is part of the Collateral or in which Lender has an interest; (ii) execute on behalf of such Loan Party any invoices relating to any Accounts, any draft against any Account Debtor, any proof of claim in bankruptcy, any notice of Lien or claim, and any assignment or satisfaction of mechanic's, materialman's or other Lien; (iii) except as otherwise provided in Section 4.3 hereof, execute on behalf of such Loan Party any notice to any Account Debtor; (iv) pay, contest or settle any Lien, charge, encumbrance, security interest and adverse claim in or to any of the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; (v) grant extensions of time to pay, compromise claims relating to, and settle Accounts, Chattel Paper and General Intangibles for less than face value and execute all releases and other documents in connection therewith; (vi) settle and adjust, and give releases of, any insurance claim that relates to any of the Collateral and obtain payment therefor; (vii) instruct any third party having custody or control of any Collateral or books or records belonging to, or relating to, such Loan Party to give Lender the same rights of access and other rights with respect thereto as Lender has under this Agreement or any other Loan Document; (viii) change the address for delivery of such Loan Party's mail; (ix) vote any right or interest with respect to any Investment Property; (x) instruct any Account Debtor to make all payments due to such Loan Party directly to Lender; (xi) pay any sums required on account of such Loan Party's taxes or to secure the release of any Liens therefor; and (xii) pay any amounts necessary to obtain, or maintain in effect, any of the insurance described in Section 5.14.

Any and all sums paid, and any and all costs, expenses, liabilities, obligations and reasonable out-of-pocket attorneys' fees incurred, by Lender with respect to the foregoing shall be added to and become part of the Obligations, shall be payable in accordance with Section 10.7, and shall bear interest at a rate equal to the highest interest rate applicable to any of the Obligations at such time. Each Loan Party agrees that Lender's rights under the foregoing power of attorney and/or any of Lender's other rights under this Agreement or the other Loan Documents shall not be construed to indicate that Lender is in control of the business, management or properties of such Loan Party.

4.5 Disputes. Each Loan Party shall promptly notify Lender of all disputes or claims relating to its Accounts and Chattel Paper, the amount of which exceeds, individually or in the aggregate \$50,000. Each Loan Party agrees that it will not, without Lender's prior written consent, compromise or settle any of its Accounts or Chattel Paper for less than the full amount thereof, grant any extension of time for payment of any of its Accounts or Chattel Paper, release (in whole or in part) any Account Debtor or other person liable for the payment of any of its Accounts or Chattel Paper or grant any credits, discounts, allowances, deductions, return authorizations or the like with respect to any of its Accounts or Chattel Paper; except (unless otherwise directed by Lender during the existence of an Event of Default) such Loan Party may take any of such actions in the ordinary course of its business consistent with past practices.

4.6 [Reserved].

4.7 Access to Collateral, Books and Records. At reasonable times, Lender and/or its representatives or agents shall have the right to inspect the Collateral, and the right to examine and copy each Loan Party's books and records. Each Loan Party agrees to give Lender access to any or all of such Loan Party's, and each of its Subsidiaries', premises to enable Lender to conduct such inspections and examinations. Such inspections and examinations shall be at Borrowers' expense and the charge therefor shall be \$1,500 per person per day (or such higher amount as shall represent Lender's then current standard charge), plus out-of-pocket expenses *provided*, that Borrowers shall only be required to reimburse Lender for up to two (2) such inspections and examinations in any Fiscal Year plus any additional inspections and examinations that are conducted during the existence of an Event of Default. Upon the occurrence and during the continuance of an Event of Default, Lender may, at Borrowers' expense, use each Loan Party's personnel, computer and other equipment, programs, printed output and computer readable media, supplies and premises for the collection, sale or other disposition of Collateral to the extent Lender, in its sole discretion, deems appropriate. Each Loan Party hereby irrevocably authorizes all accountants and other financial professional third parties to disclose and deliver to Lender, at Borrowers' expense, all financial information, books and records, work papers, management reports and other information in their possession regarding the Loan Parties.

4.8 Appraisals. Each Loan Party will permit Lender and each of its representatives or agents to conduct appraisals and valuations of the Real Estate Collateral constituting Eligible Real Estate at such times and intervals as Lender may designate. Such appraisals and valuations shall be at Borrowers' expense; *provided*, that Borrowers shall only be required to reimburse Lender for up to one (1) appraisal and valuation in any Fiscal Year plus any additional appraisals and valuations that are conducted during the existence of an Event of Default.

5. REPRESENTATIONS, WARRANTIES AND COVENANTS.

To induce Lender to enter into this Agreement, each Loan Party represents, warrants and covenants as follows (it being understood and agreed that (a) each such representation and warranty (i) will be made as of the date hereof and be deemed remade as of each date on which any Loan is made or Letter of Credit is issued (except to the extent any such representation or warranty expressly relates only to any earlier and/or specified date, in which case such representation or warranty will be made as of such earlier and/or specified date), and (ii) shall not be affected by any knowledge of, or any investigation by, Lender, and (b) each such covenant shall continuously apply with respect to all times commencing on the date hereof and continuing until the Termination Date):

5.1 Existence and Authority. Each Loan Party is duly organized, incorporated, validly existing and in good standing under the laws of its jurisdiction of organization (which jurisdiction is identified in Section 3 of the Information Certificate) and is qualified to do business in each jurisdiction in which the operation of its business requires that it be qualified, except where the failure to be so qualified could not reasonably be expected to result in a Material Adverse Effect (which each such jurisdiction is identified in Section 15 of the Information Certificate). Each Loan Party will, and will cause each of its Subsidiaries to, at all times preserve and keep in full force and effect such Person's valid existence and good standing in its jurisdiction of organization and, except as could not reasonably be expected to result in a Material Adverse Effect, good standing with respect to all other jurisdictions in which it is qualified to do business and any rights, franchises, permits, licenses, accreditations, authorizations, or other approvals material to their businesses. Each Loan Party has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, to enter into the Loan Documents to which it is a party and to carry out the transactions contemplated thereby. The execution, delivery and performance by each Loan Party of this Agreement and all of the other Loan Documents to which such Loan Party is a party have been duly and validly authorized, (a) do not violate (i) such Loan Party's Organic Documents, (ii) any law, (iii) any agreement or instrument that could reasonably be expected to result in Material Adverse Effect or any Material Contract, or (iv) any court order which is binding upon any Loan Party or its property, (b) do not constitute grounds for acceleration of any Indebtedness or obligation under any agreement or instrument which is binding upon any Loan Party or its property, and (c) do not require the consent of any Person other than consents that have been obtained and that are still in force and effect or consents that are not material. No Loan Party is required to obtain any government approval, consent, or authorization from, or to file any declaration or statement with, any Governmental Authority in connection with or as a condition to the execution, delivery or performance of any of the Loan Documents, other than any approvals, consents or authorizations that have been obtained or filed. This Agreement and each of the other Loan Documents have been duly executed and delivered by, and are enforceable against each of the Loan Parties who have signed them, in accordance with their respective terms, except as such enforceability may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or similar laws of general applicability affecting the enforcement of creditors' rights and (b) the application of general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law). Section 18 of the Information Certificate sets forth the principal equity owners of Parent as of the most recent Information Reporting Date. Section 20 of the Information Certificate sets forth the ownership of each Loan Party's Subsidiaries as of the most recent Information Reporting Date.

5.2 Names; Trade Names and Styles. The name of each Loan Party set forth in Section 1 of each Information Certificate is its correct and complete legal name as of the date hereof, and no Loan Party has used any other name at any time in the past five years, or at any time will use any other name, in any tax filing made in any jurisdiction. Listed in Section 8 of the Information Certificate are all prior names used by each Loan Party at any time in the past five years as of the most recent Information Reporting Date. Listed in Section 7 of the Information Certificate are all of the present and prior trade names used by any Loan Party at any time in the past five years as of the most recent Information Reporting Date. Borrowers shall give Lender at least thirty (30) days' prior written notice (which will be deemed to update Section 7 or Section 8 of the Information Certificate, as applicable, to reflect the same) before it or any other Loan Party changes its legal name or does material business under any other name.

5.3 Title to Collateral; Third Party Locations; Permitted Liens. Each Loan Party has, and at all times will continue to have, good and marketable title to all of the Collateral. The Collateral now is, and at all times will remain, free and clear of any and all Liens, except for Permitted Liens. Lender now has, and will at all times continue to have, a first-priority or second-priority, as applicable, pursuant to the term of the Intercreditor Agreement, perfected and enforceable security interest in all of the Collateral, subject only to Permitted Liens which are non-consensual Permitted Liens, permitted purchase money Liens, the interests of lessors under Capitalized Leases, and, solely with respect to non-ABL Priority Collateral, the Liens securing the Senior Secured Notes and each Loan Party will at all times defend Lender and the Collateral against all claims of others. None of the Collateral which is ABL Priority Collateral is, or will at any time, be affixed to any real property in such a manner, or with such intent, as to become a fixture unless such real property is subject to a Mortgage in favor of Lender. Except for leases or subleases where Collateral with value in excess of \$500,000 to at any time is located as to which Borrowers shall use commercially reasonable efforts to deliver to Lender a landlord's waiver in form and substance satisfactory to Lender, no Loan Party is or will be a lessee or sublessee under any real property lease or sublease. Except for warehouses where Collateral with value in excess of \$500,000 to at any time is located as to which Borrowers shall use commercially reasonable efforts to deliver to Lender a warehouseman's waiver in form and substance satisfactory to Lender, no Loan Party is or will at any time be a bailor of any Goods at any warehouse or otherwise. Prior to causing or permitting any Collateral with value in excess of \$500,000 to at any time be located upon premises other than the locations listed in Sections 27-32 of the Information Certificate, in which any third party (including any landlord, warehouseman, or otherwise) has an interest, Borrowers shall give Lender no less than 30 days written notice thereof and the applicable Loan Party shall use commercially reasonable efforts to cause each such third party to execute and deliver to Lender, in form and substance acceptable to Lender, such waivers, collateral access agreements, and subordinations as Lender shall specify. Each applicable Loan Party will keep at all times in full force and effect, and will comply in all material respects at all times with all the terms of, any lease of real property where any of the Collateral now or in the future may be located.

5.4 Accounts and Chattel Paper. As of each date reported by Borrowers, all Accounts which Borrowers have then reported to Lender as then being Eligible Billed Accounts or Eligible Unbilled Accounts, as the case may be, comply in all respects with the criteria for eligibility set forth in the definitions of Eligible Billed Accounts or Eligible Unbilled Accounts, respectively. All such Accounts and Chattel Paper are genuine and in all respects what they purport to be, arise out of a completed, bona fide and unconditional and non-contingent sale and delivery of goods or rendition of services by Borrowers in the ordinary course of its business and in accordance with the terms and conditions of all purchase orders, contracts or other documents relating thereto, each Account Debtor thereunder had the capacity to contract at the time any contract or other document giving rise to such Accounts and Chattel Paper were executed, and the transactions giving rise to such Accounts and Chattel Paper comply in all material respects with all applicable laws and governmental rules and regulations.

5.5 Electronic Chattel Paper. Subject to the terms of the Intercreditor Agreement (including with respect to the corresponding obligations to the Senior Secured Note Agent), to the extent that any Loan Party obtains or maintains any Electronic Chattel Paper with an individual or aggregate value in excess of \$500,000, such Loan Party shall at all times create, store and assign the record or records comprising the Electronic Chattel Paper in such a manner that (a) a single authoritative copy of the record or records exists which is unique, identifiable and except as otherwise provided below, unalterable, (b) the authoritative copy identifies Lender as the assignee of the record or records, (c) the authoritative copy is communicated to and maintained by Lender or its designated custodian, (d) copies or revisions that add or change an identified assignee of the authoritative copy can only be made with the participation of Lender, (e) each copy of the authoritative copy and any copy of a copy is readily identifiable as a copy that is not the authoritative copy and (f) any revision of the authoritative copy is readily identifiable as an authorized or unauthorized revision.

5.6 Capitalization; Investment Property.

(a) No Loan Party, directly or indirectly, owns, or shall at any time own, any Equity Interests of any other Person except as set forth in Sections 20 and 41 of the Information Certificate, which such Sections of the Information Certificate list all Investment Property owned by each Loan Party, except in each case for investments permitted under Section 5.25(e).

(b) None of the Pledged Equity has been issued or otherwise transferred in violation of the Securities Act, or other applicable laws of any jurisdiction to which such issuance or transfer may be subject.

(c) The Pledged Equity pledged by each Loan Party hereunder constitutes all of the issued and outstanding Equity Interests of each Issuer owned by such Loan Party.

(d) All of the Pledged Equity has been duly and validly issued and is fully paid and non-assessable, and the holders thereof are not entitled to any preemptive, first refusal, or other similar rights. There are no outstanding options, warrants or similar agreements, documents, or instruments with respect to any of the Pledged Equity.

(e) [Reserved].

(f) Each Loan Party will take any and all actions required or requested by Lender, from time to time and in all respects subject to the Intercreditor Agreement, to (i) cause Lender to obtain control of any Investment Property in a manner reasonably acceptable to Lender and (ii) obtain from any Issuers and such other Persons as Lender shall specify, for the benefit of Lender, written confirmation of Lender's control over such Investment Property and take such other actions as Lender may request to perfect Lender's security interest in any Investment Property. Each Loan Party that is a limited liability company or a partnership hereby represents and warrants that it has not, and at no time will, elect pursuant to the provisions of Section 8-103 of the UCC to provide that its Equity Interests are securities governed by Article 8 of the UCC.

(g) No Loan Party owns, or has any present intention of acquiring, any "margin security" or any "margin stock" within the meaning of Regulations T, U or X of the Board of Governors of the Federal Reserve System (herein called "margin security" and "margin stock"). None of the proceeds of the Loans will be used, directly or indirectly, for the purpose of purchasing or carrying, or for the purpose of reducing or retiring any Indebtedness which was originally incurred to purchase or carry, any margin

security or margin stock or for any other purpose which might constitute the transactions contemplated hereby a "purpose credit" within the meaning of said Regulations T, U or X, or cause this Agreement to violate any other regulation of the Board of Governors of the Federal Reserve System or the Exchange Act, or any rules or regulations promulgated under such statutes.

(h) No Loan Party shall vote to enable, or take any other action to cause or to permit, any Issuer to issue any Equity Interests of any nature, or to issue any other securities or interests convertible into or granting the right to purchase or exchange for any Equity Interests of any nature of any Issuer.

(i) No Loan Party shall take, or fail to take, any action that would impair (A) the value of the Investment Property in a manner that could reasonably be expected to cause a Material Adverse Effect, (B) the enforceability of Lender's Lien on any of the Investment Property, or (C) any of Lender's rights or remedies under this Agreement or any other Loan Document with respect to any of the Investment Property.

(j) In the case of any Loan Party which is an Issuer, such Issuer agrees that the terms of Section 7.3(g)(iii) of this Agreement shall apply to such Loan Party with respect to all actions that may be required of it pursuant to such Section 7.3(g)(iii) regarding the Investment Property issued by it.

5.7 Commercial Tort Claims. No Loan Party has any Commercial Tort Claims with a claimed value in excess of \$500,000 pending other than those listed in Section 40 of the Information Certificate as of the most recent Information Reporting Date, and each Loan Party shall promptly (but in any case no later than the date of the next Compliance Certificate required to be delivered hereunder) notify Lender in writing upon incurring or otherwise obtaining a Commercial Tort Claim with a claimed value in excess of \$500,000 after the date hereof against any third party. Such notice shall constitute such Loan Party's authorization to amend such Section 40 to add such Commercial Tort Claim and shall automatically be deemed to amend such Section 40 to include such Commercial Tort Claim.

5.8 Jurisdiction of Organization; Location of Collateral. Sections 14 and 27-32 of the Information Certificate set forth as of the most recent Information Reporting Date (a) each place of business of each Loan Party constituting (i) its chief executive office and (ii) any owned Real Estate, (b) all locations where all Inventory, Equipment, and other Collateral owned by each Loan Party is kept, and (c) whether each such Collateral location and/or place of business (including each Loan Party's chief executive office) is owned by a Loan Party or leased (and if leased, specifies the complete name and notice address of each lessor). No Collateral is located outside the United States or in the possession of any lessor, bailee, warehouseman or consignee, except as expressly indicated in Sections 27-32 of the Information Certificate as of the most recent Information Reporting Date. Each Loan Party will give Lender at least thirty (30) days' prior written notice before changing its jurisdiction of organization or changing its chief executive office or the principal location of its books and records.

5.9 Financial Statements and Reports; Solvency.

(a) All financial statements delivered to Lender by or on behalf of Parent and its Subsidiaries have been, and at all times will be, prepared in conformity with GAAP in all material respects and completely and fairly reflect in all material respects the financial condition of Parent and its Subsidiaries, at the times and for the periods therein stated.

(b) As of the date hereof (after giving effect to the Loans and Letters of Credit to be made or issued on the date hereof, and the consummation of the transactions contemplated hereby), and as of each other day that any Loan or Letter of Credit is made or issued (after giving effect thereof), (i) the fair saleable value of all of the assets and properties of the Loan Parties, taken as a whole, exceeds the aggregate liabilities and Indebtedness of the Loan Parties (including contingent liabilities), (ii) the Loan Parties taken as a whole are solvent and able to pay their debts as they come due, (iii) the Loan Parties taken as a whole

have sufficient capital to carry on their business as now conducted and as proposed to be conducted, (iv) the Loan Parties taken as a whole are not contemplating either the liquidation of all or any substantial portion of its assets or property, or the filing of any petition under any state, federal, or other bankruptcy or insolvency law, and (v) no Loan Party has knowledge of any Person contemplating the filing of any such petition against any Loan Party.

5.10 Tax Returns and Payments; Pension Contributions. Each Loan Party has timely filed all income and other material tax returns and reports required by applicable law, has timely paid all applicable income and other material Taxes, assessments, deposits and contributions owing by such Loan Party and will timely pay all such items in the future as they became due and payable. Each Loan Party may, however, defer payment of any contested taxes; *provided*, that such Loan Party (a) in good faith contests its obligation to pay such Taxes by appropriate proceedings promptly and diligently instituted and conducted; (b) notifies Lender in writing of the commencement of, and any material development in, the proceedings; (c) posts bonds or takes any other commercially reasonable steps required to keep the contested taxes from becoming a Lien upon any of the Collateral and (d) maintains adequate reserves therefor in conformity with GAAP. No Loan Party is aware of any claims or adjustments proposed for any prior tax years that could result in additional taxes becoming due and payable by any Loan Party. Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other applicable laws. Each Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter or opinion letter from the Internal Revenue Service to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the Internal Revenue Service. To the knowledge of each Loan Party, nothing has occurred that would prevent or cause the loss of such tax-qualified status. There are no pending or, to the knowledge of any Loan Party or any ERISA Affiliate, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to result in liabilities individually or in the aggregate in excess of \$500,000 on any Loan Party. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in liabilities individually or in the aggregate on any Loan Party in excess of \$500,000. No ERISA Event has occurred, and no Loan Party or any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan, in each case that could reasonably be expected to result in liabilities individually or in the aggregate in excess of \$500,000. Each Loan Party and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained, in each case except as could not reasonably be expected to result in liabilities individually or in the aggregate to any Loan Party or any ERISA Affiliate in excess of \$500,000. As of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is 60% or higher and no Loan Party or any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; no Loan Party or any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid, except as could not reasonably be expected to result in liabilities individually or in the aggregate to any Loan Party or ERISA Affiliate in excess of \$500,000. No Loan Party nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA except as could not reasonably be expected to result in liabilities individually or in the aggregate to the Loan Parties in excess of \$500,000. No Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan except as could not reasonably be expected to result in liabilities individually or in the aggregate to the Loan Parties in excess of \$500,000.

5.11 Compliance with Laws; Intellectual Property; Licenses.

(a) Each Loan Party has complied, and will continue at all times to comply, in all material respects with all provisions of all applicable laws and regulations, including those relating to the ownership, use or operations of real or personal property, the conduct and licensing of each Loan Party's business, the payment and withholding of Taxes, ERISA and other employee matters, and safety and environmental matters.

(b) No Loan Party has received written notice of default or violation, nor is any Loan Party in default or violation, with respect to any judgment, order, writ, injunction, decree, demand or assessment issued by any court or any federal, state, local, municipal or other Governmental Authority relating to any aspect of any Loan Party's business, affairs, properties or assets. No Loan Party has received written notice of or been charged with, or is, to the knowledge of any Loan Party, under investigation with respect to, any violation in any material respect of any provision of any applicable law. No Loan Party or any real property owned, leased or used in the operation of the business of any Loan Party is subject to any federal, state or local investigation to determine whether any remedial action is needed to address any hazardous materials or an environmental release (as that term is defined under environmental and health and safety laws) at, on, or under any real property currently leased, owned or used by a Loan Party nor is a Loan Party liable for any environmental release identified or under investigation at, on or under any real property previously owned, leased or used by a Loan Party. No Loan Party has any contingent liability with respect to any environmental release, environmental pollution or hazardous material on any real property now or previously owned, leased or operated by it.

(c) No Loan Party owns any registered Intellectual Property, except as set forth in Sections 34-36 of the Information Certificate as of the most recent Information Reporting Date. Except as set forth in Section 37 of the Information Certificate, as of the most recent Information Reporting Date none of the Intellectual Property owned by any Loan Party is the subject of any licensing or franchise agreement pursuant to which such Loan Party is the licensor or franchisor involving payments in excess of \$500,000 per fiscal year. Each Loan Party shall promptly (but in any event within thirty (30) days thereafter) notify Lender in writing of any additional registered Intellectual Property acquired or arising after the Closing Date, which notice shall be deemed to supplement to Sections 34-36 of the Information Certificate to reflect such additional rights (*provided*, that such Loan Party's failure to do so shall not impair Lender's security interest therein). Each Loan Party shall execute a separate security agreement granting Lender a security interest in such Intellectual Property (whether owned on the Closing Date or thereafter), in form and substance acceptable to Lender and suitable for registering such security interest in such Intellectual Property with the United States Patent and Trademark Office and/or United States Copyright Office, as applicable (*provided*, that such Loan Party's failure to do so shall not impair Lender's security interest therein). Each Loan Party owns or has, and will at all times continue to own or have, the valid right to use all material patents, trademarks, copyrights, software, computer programs, equipment designs, network designs, equipment configurations, technology and other Intellectual Property used, marketed and sold in such Loan Party's business, and each Loan Party is in compliance, and will continue at all times to comply, in all material respects with all licenses, user agreements and other such agreements regarding the use of Intellectual Property. No Loan Party has any knowledge that, or has received any written notice claiming that, any of such Intellectual Property infringes upon or violates the rights of any other Person in any material respect.

(d) Each Loan Party has and will continue at all times to have, all federal, state, local and other licenses (including FCC Licenses) and permits required to be maintained in connection with such Loan Party's business operations, and its ownership, use and operation of any real property, and all such licenses and permits, necessary for the operation of the business are valid and will remain and in full force and effect. Each Loan Party has, and will continue at all times to have, complied with the requirements of such licenses (including the FCC Licenses) and permits necessary for the operating of the business in all material respects, and has received no written notice of any pending or threatened proceedings for the suspension, termination, revocation or limitation thereof. No Loan Party is aware of any facts or conditions that could reasonably be expected to cause or permit any of such licenses or permits to be voided, revoked or withdrawn.

(e) In addition to and without limiting the generality of clause (a) above, each Loan Party shall (i) comply in all material respects with applicable provisions of ERISA and the IRC with respect to all Plans, (ii) without the prior written consent of Lender, not take any action or fail to take action the result of which could result in a Loan Party or ERISA Affiliate incurring a material liability to the PBGC or to a Multiemployer Plan (other than to pay contributions or premiums payable in the ordinary course), (iii) not allow any facts or circumstances to exist with respect to one or more Plans that, in the aggregate, reasonably could be expected to result in a Material Adverse Effect, (iv) not participate in any prohibited transaction that could result in other than a de minimis civil penalty excise tax, fiduciary liability or correction obligation under ERISA or the IRC, (v) operate each Plan in such a manner that will not incur any material tax liability under the IRC (including Section 4980B of the IRC), and (vi) furnish to Lender upon Lender's written request such additional information about any Plan for which any Loan Party or ERISA Affiliate could reasonably expect to incur any material liability. With respect to each Pension Plan (other than a Multiemployer Plan) except as could not reasonably be expected to result in liability to the Loan Parties, the Loan Parties and the ERISA Affiliates shall (y) satisfy in full and in a timely manner, without incurring any late payment or underpayment charge or penalty and without giving rise to any Lien, all of the contribution and funding requirements of the IRC and of ERISA, and (z) pay, or cause to be paid, to the PBGC in a timely manner, without incurring any late payment or underpayment charge or penalty, all premiums required pursuant to ERISA.

(f) Each Loan Party has and will continue comply in all material respects with all terms and conditions of all Broadcast Licenses and use their commercially reasonable efforts to keep in full force and effect all of the Broadcast Licenses, except to the extent such failure individually or in the aggregate could not reasonably be expected to have a Material Adverse Effect.

5.12 Litigation. Section 50 of the Information Certificate discloses all claims, proceedings, litigation or investigations pending or (to the best of each Loan Party's knowledge) threatened against any Loan Party as of the Closing Date. There is no claim, suit, litigation, proceeding or investigation pending or (to the best of each Loan Party's knowledge) threatened by or against or affecting any Loan Party in any court or before any Governmental Authority (or any basis therefor known to any Loan Party) which could reasonably be expected to result, either separately or in the aggregate, in liability in excess of \$1,000,000 for the Loan Parties, in any Material Adverse Effect, or in any material impairment in the ability of any Loan Party to carry on its business in substantially the same manner as it is now being conducted.

5.13 Use of Proceeds. All proceeds of all Loans and Letters of Credit shall be used by Borrowers solely (a) with respect to Loans made on the Closing Date, to repay in full indebtedness owing under that certain Credit Agreement dated as of May 19, 2017 by and among Wells Fargo Bank, N.A., as agent, the lenders from time to time party thereto, Parent and the other borrowers party thereto (as amended, restated, supplemented or otherwise modified from time to time prior to the Closing Date), (b) to pay the fees, costs, and expenses incurred in connection with this Agreement, the other Loan Documents, and the transactions contemplated hereby and thereby, (c) for Borrowers' working capital and general corporate purposes and (d) for such other purposes as specifically permitted pursuant to the terms of this Agreement. All proceeds of all Loans and Letters of Credit will be used solely for lawful business purposes.

5.14 Insurance.

(a) Each Loan Party will at all times carry property, liability and other insurance, with insurers acceptable to Lender, in such form and amounts, and with such deductibles and other provisions, as are customary for similarly situated companies and reasonably acceptable to Lender, and upon Lender's request Borrowers will provide Lender with evidence satisfactory to Lender that such insurance is, at all times, in full force and effect. A true and complete listing of such insurance as of the Closing Date, including issuers, coverages and deductibles, is set forth in Section 49 of the Information Certificate. Each property insurance policy shall name Lender as lender loss payee and shall, subject to Exhibit I, contain a lender's loss payable endorsement in form acceptable to Lender, each liability insurance policy shall name Lender as an additional insured, and each business interruption insurance policy shall be endorsed or collaterally assigned to Lender, all in form and substance reasonably satisfactory to Lender. All policies of insurance shall provide that they may not be cancelled or changed without at least thirty (30) days' prior written notice to Lender (or ten (10) days in the case of cancellation for non-payment of premium), and shall otherwise be in form and substance reasonably satisfactory to Lender in its Permitted Discretion. Borrowers shall advise Lender promptly of any policy cancellation, non-renewal, reduction, or material amendment with respect to any insurance policies maintained by any Loan Party or any receipt by any Loan Party of any notice from any insurance carrier regarding any intended or threatened cancellation, non-renewal, reduction or material amendment of any of such policies, and Borrowers shall promptly deliver to Lender copies of all notices and related documentation received by any Loan Party in connection with the same.

(b) Borrowers shall deliver to Lender no later than fifteen (15) days prior to the expiration of any then current insurance policies, insurance certificates evidencing renewal of all such insurance policies required by this Section 5.14. Borrowers shall deliver to Lender, upon Lender's request, certificates evidencing such insurance coverage in such form as Lender shall reasonably request. If any Loan Party fails to provide Lender with a certificate of insurance or other evidence of the continuing insurance coverage required by this Agreement within the time period set forth in the first sentence of this Section 5.14(b), Lender may purchase insurance required by this Agreement at Borrowers' expense. This insurance may, but need not, protect any Loan Party's interests.

5.15 Financial, Collateral and Other Reporting / Notices. Each Loan Party has kept and will at all times keep adequate records and books of account with respect to its business activities and the Collateral in which proper entries are made in accordance with GAAP. Each Loan Party will cause to be prepared and furnished to Lender, in each case in a form and in such detail as is reasonably acceptable to Lender the following items (the items to be provided under this Section 5.15 shall be delivered to Lender by posting on ABLServe (or, if requested by Lender, by another form of Approved Electronic Communication or in writing)).

(a) **Annual Financial Statements.** Not later than ninety (90) days after the close of each Fiscal Year, unqualified (other than as a result of an impending maturity of any Permitted Indebtedness within 12 months of the date such report is delivered), audited financial statements of Parent and its Subsidiaries as of the end of such Fiscal Year, including balance sheet, income statement, and statement of cash flow for such Fiscal Year, in each case on a consolidated basis, audited and certified (without qualification, other than as a result of an impending maturity of any Permitted Indebtedness within 12 months of the date such report is delivered) by Moss Adams LLP, any of the "Big Four" accounting firms, or any other accounting firm reasonably acceptable to Lender, together with a copy of any management letter issued in connection therewith. Concurrently with the delivery of such financial statements, Borrowing Agent shall deliver to Lender a Compliance Certificate, indicating any Default or Event of Default is then in existence;

(b) **Interim Financial Statements.** Not later than thirty (30) days after the end of each month hereafter (or forty-five (45) days after the last month of each fiscal quarter with respect to unaudited interim financial statements), including the last month of each Fiscal Year, (i) the Monthly Financial Model and (ii) unaudited interim financial statements of Parent and its Subsidiaries as of the end of such month and of the portion of such Fiscal Year then elapsed, including balance sheet, income statement, statement

of cash flow, and results of their respective operations during such month and the then-elapsed portion of the Fiscal Year, together with comparative figures for the same periods in the immediately preceding Fiscal Year and the corresponding figures from the budget for the Fiscal Year covered by such financial statements, in each case on a consolidated basis, certified by an Authorized Officer of Borrowing Agent as prepared in accordance with GAAP and fairly presenting the consolidated financial position and results of operations (including, for the last month of each fiscal quarter, management discussion and analysis of such results) of Parent and its Subsidiaries for such month and period subject only to changes from ordinary course year-end audit adjustments and except that such statements need not contain footnotes. Concurrently with the delivery of such financial statements, Borrowing Agent shall deliver to Lender a Compliance Certificate, indicating whether any Default or Event of Default is then in existence;

(c) **Borrowing Base / Collateral Reports / Insurance Certificates / Information Certificates / Other Items.** The items described on Schedule D hereto by the respective dates set forth therein.

(d) **Projections, Etc.** Subject to Section 5.28, not later than thirty (30) days after the end of each Fiscal Year, monthly business projections for the following Fiscal Year for the Loan Parties on a consolidated basis, which projections shall include for each such period Borrowing Base projections, profit and loss projections and income statement projections, together with appropriate supporting details and a statement of underlying assumptions used in preparing such projections;

(e) **Shareholder Reports, Etc.** Promptly after the sending or filing thereof, as the case may be, copies of any proxy statements, financial statements or reports which each Loan Party has made available to its shareholders and copies of any regular, periodic and special reports or registration statements which any Loan Party files with the Securities and Exchange Commission or any Governmental Authority which may be substituted therefor, or any national securities exchange;

(f) **ERISA Reports.** Copies of any annual report to be filed pursuant to the requirements of ERISA in connection with each plan subject thereto promptly upon request by Lender and in addition, each Loan Party shall promptly notify Lender upon having knowledge of any ERISA Event;

(g) **Tax Returns.** Upon request from Lender, each federal and state income tax return filed by any Loan Party promptly, together with such supporting documentation as is supplied to the applicable tax authority with such return and proof of payment of any amounts owing with respect to such return;

(h) **Notification of Certain Changes.** Borrowers will promptly (and in no case later than the earlier of (i) three (3) Business Days after the occurrence of any of the following and (ii) such other date that such information is required to be delivered pursuant to this Agreement or any other Loan Document) notify Lender in writing of: (i) the occurrence of any Default or Event of Default, (ii) the occurrence of any event that has had, or could reasonably be expected to have, a Material Adverse Effect, (iii) any change in any Loan Party's Senior Officers or directors, (iv) any investigation, action, suit, proceeding or claim (or any development with respect to any existing investigation, action, suit, proceeding or claim) relating to any Loan Party, any officer or director of a Loan Party, the Collateral or which could reasonably be expected to have a Material Adverse Effect, (v) any violation or asserted violation of any applicable law (including OSHA or any environmental laws), if an adverse resolution could reasonably be expected to have a Material Adverse Effect or otherwise result in material liability to any Loan Party, (vi) any Loan Party shall have received a notice from any institution of any proceeding for the condemnation or seizure of all or any portion of any Real Estate Collateral or for the exercise of any right of eminent domain, (vii) there shall have been an actual condemnation, seizure or taking by exercise of the power of eminent domain or otherwise of all or any portion of any Real Estate Collateral, or confiscation or the requisition of the use of such of all or a portion of such Real Estate Collateral, (viii) any actual or alleged breaches of any Material

Contract or Sharing Arrangement or termination or threat to terminate any Material Contract or Sharing Arrangement or any material amendment to or modification of a Material Contract or Sharing Arrangement, or the execution of any new Material Contract or Sharing Arrangement by any Loan Party, and (ix) any change in any Loan Party's certified accountant. In the event of each such notice under this Section 5.15(h), Borrowers shall give notice to Lender of the action or actions that each Loan Party has taken, is taking, or proposes to take with respect to the event or events giving rise to such notice obligation; and

(i) **Other Information.** Promptly upon request, such other data and information (financial and otherwise) as Lender, from time to time, may reasonably request, bearing upon or related to the Collateral or each Loan Party's business or financial condition or results of operations.

5.16 Litigation Cooperation. Should any third-party suit, regulatory action, or any other judicial, administrative, or similar proceeding be instituted by or against Lender with respect to any Collateral or in any manner relating to any Loan Party, this Agreement, any other Loan Document or the transactions contemplated hereby, each Loan Party shall, without expense to Lender, make available each Loan Party, such Loan Party's officers, employees and agents, and any Loan Party's books and records, without charge, to the extent that Lender may deem them reasonably necessary in order to prosecute or defend any such suit or proceeding.

5.17 Maintenance of Collateral, Etc. Each Loan Party will maintain all of the Collateral in good working condition, ordinary wear and tear excepted, and no Loan Party will use the Collateral for any unlawful purpose.

5.18 Material Contracts; FCC Licenses and Sharing Arrangements

(a) Except as expressly disclosed in Section 53 of the Information Certificate as of the most recent Information Reporting Date, no Loan Party is (a) a party to any Material Contract which has had or could reasonably be expected to have a Material Adverse Effect or (b) in default in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any Material Contract.

(b) Each of the Loan Parties and its Subsidiaries holds such validly issued Broadcast Licenses, or agreements with the licensee of a Station to provide programming to the Station, necessary to conduct their respective businesses as currently conducted, and each such Broadcast License is in full force and effect. As of the Closing Date, the Stations, together with their respective Broadcast Licenses, are identified on Schedule 57 of the Information Certificate, and each such Broadcast License has the expiration date set forth on such Schedule 57.

(c) No Borrower has knowledge of any condition imposed by the FCC as part of any Broadcast License which is neither set forth on the face thereof as issued by the FCC nor contained in the Communications Laws applicable generally to stations of the type, nature, class, or location of the Station in question. Except as otherwise set forth on Schedule 57 of the Information Certificate as of the most recent Information Reporting Date, each Station has been and is being operated in all material respects in accordance with the terms and conditions of the Broadcast Licenses applicable to it and the Communications Laws. Except as set forth on Schedule 57 of the Information Certificate as of the most recent Information Reporting Date, no event has occurred with respect to such Broadcast Licenses, which, with the giving of notice or the lapse of time or both, would constitute grounds for revocation of any of the Broadcast Licenses, other than the expiration of such Broadcast Licenses in accordance with their terms and except as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) Except as otherwise set forth on Schedule 57 of the Information Certificate, no proceedings are pending or, to the knowledge of any Borrower, are threatened which may result in the revocation, modification, non-renewal or suspension of any applicable Broadcast License, the denial of any pending applications, the issuance of any cease and desist order or the imposition of any fines, forfeitures or other administrative actions by the FCC with respect to any Station, other than (i) any proceedings which, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect and (ii) proceedings affecting the radio broadcasting industry in general.

(e) All reports, applications, and other documents required to be filed by any of the Loan Parties and their Subsidiaries with the FCC with respect to the Stations have been timely filed, and all such reports, applications and documents are true, correct, and complete in all respects. No Borrower has knowledge of any matters which, could reasonably be expected to result in the suspension or revocation of or the refusal to renew any Broadcast License or the imposition on any of the Loan Parties or its Subsidiaries of any material fines or forfeitures by the FCC, or which could reasonably be expected to result in the revocation, rescission, reversal, or material adverse modification of the authorization of any Broadcast License.

(f) There are no unsatisfied or otherwise outstanding citations issued by the FCC with respect to any Station or its operations. Each of the Loan Parties and its Subsidiaries each have paid all fees required to be paid pursuant to the Communications Laws.

(g) All Sharing Arrangements entered into between any Loan Party or any of its Subsidiaries and any other Person are listed on Schedule 58 of the Information Certificate as of the most recent Information Reporting Date, and full and complete copies thereof have been delivered or made available to Lender.

5.19 No Default. No Default or Event of Default has occurred and is continuing.

5.20 No Material Adverse Change. Since June 30, 2023 there has been no material adverse change in the financial condition, business, operations, or properties of any Loan Party.

5.21 Full Disclosure. No written factual information delivered or made (including, in electronic form) by or on behalf of any Loan Party to Lender in connection with this Agreement or any other Loan Document (other than (i) projections and forecasts, (ii) other forward-looking information and (iii) information of a general economic or industry nature), as of the date such written factual information was furnished, contains (or at any time will contain) any untrue statement of a material fact, or omits or will at any time omit to state any material fact necessary to make any statements contained herein or therein not misleading. Except for matters of a general economic or political nature which do not affect any Loan Party uniquely, there is no fact presently known to any Loan Party which has not been disclosed to Lender, which has had or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

5.22 Sensitive Payments. No Loan Party (a) has made or will at any time make any contributions, payments or gifts to or for the private use of any governmental official, employee or agent where either the payment or the purpose of such contribution, payment or gift is illegal under the applicable laws of the United States or the jurisdiction in which made or any other applicable jurisdiction, (b) has established or maintained or will at any time establish or maintain any unrecorded fund (other than de minimis funds that were not recorded and the failure to so record was without the intent to defraud or mislead any Person) or asset for any purpose or made any false or artificial entries on its books, (c) has made or will at any time make any payments to any Person with the intention that any part of such payment was to be used for any purpose other than that described in the documents supporting the payment, or (d) has engaged in or will at any time engage in any "trading with the enemy" or other transactions violating any rules or regulations of the Office of Foreign Assets Control or any similar applicable laws, rules or regulations.

5.23 Parent. Parent does not and shall not at any time (a) engage in any business activities other than serving as a passive holding company for its Subsidiaries, (b) have any material assets other than the outstanding shares of Equity Interests issued by its Subsidiaries, (c) have any Subsidiaries as of the most recent Information Reporting Date other than those set forth in Section 20 of the Information Certificate, or (d) have any material liabilities other than the Obligations and the obligations under the Senior Secured Note Documents; provided that the foregoing shall not restrict Parent from participating in tax, accounting and other administrative matters as a member or parent of the consolidated group or providing indemnification or paying reasonable fees and expenses to officers and directors.

5.24 Senior Secured Notes Indebtedness.

(a) Borrowers have furnished Lender a true, correct and complete copy of each Senior Secured Note Document. No portion of the Senior Secured Note Indebtedness is, or at any time shall be, (a) secured by any assets of any of the Loan Parties or any other Person or any Equity Interests issued by any of the Loan Parties or any other Person (except to the extent expressly permitted by the Intercreditor Agreement), or (b) guaranteed by any Person (except to the extent expressly permitted by the Intercreditor Agreement).

(b) Each Borrower and each other Loan Party acknowledges that Lender is entering into this Agreement and extending credit and making the Loans in reliance upon the Intercreditor Agreement and this Section 5.24.

5.25 Negative Covenants. No Loan Party shall, and no Loan Party shall permit any of its Subsidiaries to, without Lender's prior written consent:

(a) merge or consolidate with another Person, except that (i) a Loan Party may merge or consolidate with (A) another Loan Party, or (B) any Subsidiary of a Loan Party that is not a Loan Party so long as the Loan Party is the surviving entity, (ii) a Subsidiary that is not a Loan Party may merge or consolidate with a Loan Party or another Subsidiary that is not a Loan Party, in each case so long as (w) Borrowing Agent shall provide Lender with ten (10) days' prior written notice of such merger or consolidation, (x) in connection with any merger or consolidation to which a Borrower is a party, a Borrower must be the surviving entity of merger or consolidation, (y) in connection with any merger or consolidation between a Loan Party and any of its Subsidiaries which is not a Loan Party, such Loan Party must be the surviving entity of merger or consolidation, and (z) Borrowing Agent shall deliver to Lender all of the relevant agreements, documents and instruments evidencing such merger or consolidation;

(b) acquire any assets except in the ordinary course of business and as otherwise expressly permitted by this Agreement or pursuant to a Permitted Acquisition;

(c) enter into any transaction outside the ordinary course of business that is not expressly permitted by this Agreement;

(d) sell, transfer, return, or dispose of any Collateral or other assets with an aggregate value in excess of \$50,000 in any calendar month, other than:

(i) the sale of Inventory in the ordinary course of its business,

(ii) any sale, lease, transfer or other disposition by a Loan Party to any other Loan Party or so long as no Event of Default has occurred and is continuing or would immediately result therefrom, by a Subsidiary of a Loan Party that is not a Loan Party to any Loan Party or any other Subsidiary that is not a Loan Party, in each case not otherwise prohibited by this Agreement,

(iii) any sale, disposition, or transfer of obsolete, worn-out or unneeded Equipment, so long as the proceeds of such sale, disposition or transfer are applied to repay the Loans in accordance with Section 1.8(a) of this Agreement,

(iv) any sale, lease, transfer or other disposition constituting an investment permitted under clause (e) below,

(v) dispositions and transfers of cash and cash equivalents in the ordinary course of business and not in violation of this Agreement,

(vi) the licensing, on a non-exclusive basis, of patents, trademarks, copyrights and other Intellectual Property in the ordinary course of business,

(vii) the granting of Permitted Liens,

(viii) [reserved],

(ix) any involuntary loss, damage or destruction of property to the extent not caused by any Loan Party's gross negligence or willful misconduct,

(x) any involuntary condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, or confiscation or requisition of use of property,

(xi) the leasing or subleasing of assets in the ordinary course of business (other than Eligible Real Estate except for (A) leases or subleases of Eligible Real Estate that are in effect on the Closing Date and set forth in Section 59 of the Information Certificate and extensions thereof on substantially similar terms or (B) leases or subleases of Eligible Real Estate entered into after the date hereof that Lender has approved in its Permitted Discretion),

(xii) the sale or issuance of Equity Interests (other than Disqualified Equity Interests) of Parent,

(xiii) (A) the lapse of registered patents, trademarks, copyrights and other Intellectual Property to the extent not economically desirable in the conduct of its business or (B) the abandonment of patents, trademarks, copyrights or other Intellectual Property rights in the ordinary course of business so long as (in each case under clauses (A) and (B)), (x) with respect to copyrights, such copyrights are not material revenue generating copyrights, and (y) such lapse is not materially adverse to the interests of the Lender,

(xiv) any exchange of assets (other than ABL Priority Collateral) for assets related to a business contemplated in Section 5.25(l) of a comparable or greater market value, as determined in good faith by Parent, which in the event of an exchange of assets with a fair market value in excess of (A) \$5,000,000 shall be evidenced by a certificate of an Authorized Officer of Parent and (B) \$10,000,000 shall be set forth in a resolution approved in good faith by at least a majority of the Board of Directors of Parent, and

(xv) any sale, lease, transfer or other disposition of assets other than ABL Priority Collateral, so long as (A) no Event of Default has occurred and is continuing or would immediately result therefrom, (B) any such sale, lease, transfer or other disposition is in an arm's-length transaction and the applicable Loan Party or Subsidiary receives at least the fair market value of the assets so disposed, (C) the consideration received by the applicable Loan Party or Subsidiary consists of at least 75% cash and Permitted Investments and is paid at the time of the closing of such sale, lease, transfer or other disposition, and (D) the net cash proceeds therefrom are applied or reinvested as (and to the extent) required by Section 1.8(a);

(e) make any loans to, or investments in, any Affiliate or other Person in the form of money or other assets *provided*, that (i) Borrowers may make loans and investments in their respective wholly-owned domestic Subsidiaries that are Loan Parties, (ii) a Loan Party may make loans to, and investments in, another Loan Party, (iii) a Subsidiary that is not a Loan Party may make loans to, and investments in, a Loan Party or another Subsidiary that is not a Loan Party, (iv) a Loan Party may acquire Permitted Investments, (v) a Loan Party or any Subsidiary may receive minority investments in Persons given to such Loan Party or Subsidiary by such Person in exchange for services provided by the applicable Loan Party or Subsidiary or in settlement of amounts due to the applicable Loan Party or Subsidiary effected in the ordinary course of business or owing to any Loan Party or any of its Subsidiaries as a result of insolvency proceedings involving an account debtor or upon the foreclosure or enforcement of any Lien in favor of a Loan Party or its Subsidiaries, (vi) a Loan Party or any Subsidiary may make loans not involving the transfer of cash or cash equivalents to officers, directors, employees or consultants of such Loan Party or Subsidiary for the purchase of equity interests, or rights to acquire equity interests, issued for compensatory purposes, (vii) Loan Parties may enter into any Permitted Acquisition, (viii) the Loan Parties and their Subsidiaries may make loans to officers, directors, employees or consultants in the ordinary course of business in an aggregate amount not to exceed \$500,000 at any time outstanding, (ix) investments in negotiable instruments shall be permitted to be deposited or deposited for collection in the ordinary course of business, (x) a Loan Party or its Subsidiary may make advances in connection with such Person's purchases of goods or services in the ordinary course of business, (xi) the Loan Parties and their Subsidiaries may make deposits of cash in the ordinary course of business to secure performance of operating leases, (xii) the Loan Parties and their Subsidiaries may make investments resulting from entering into bank product arrangements described in clause (f) of the definition of "Permitted Indebtedness," (xiii) the Loan Parties and their Subsidiaries may make investments in any Person to the extent such investment represents the non-cash portion of the consideration received for a sale, lease, transfer or other disposition permitted pursuant to Section 5.25(d)(xv), (xiv) investments existing on the Closing Date described in Sections 20 and 41 of the Information Certificate shall be permitted, and (xv) so long as no Event of Default shall have occurred and be continuing or result therefrom, the Loan Parties and their Subsidiaries may make loans and investments in an aggregate principal amount not to exceed \$1,000,000 at any time outstanding;

(f) incur any Indebtedness other than the Obligations and Permitted Indebtedness;

(g) create, incur, assume or suffer to exist any Lien, other than in favor of Lender to secure the Obligations, on any of the Collateral whether now or hereafter owned, other than Permitted Liens;

(h) Guaranty the obligations of any Person other than (i) the Obligations and (ii) Guarantees in respect of Permitted Indebtedness or other liabilities or obligation not constituting Indebtedness that are not restricted hereunder;

(i) pay or declare any dividends or other distributions on any Loan Party's Equity Interests (except for dividends payable solely in capital stock or other Equity Interests of such Loan Party that are not Disqualified Equity Interests and dividends and distributions to Borrowers);

(j) redeem, retire, purchase or otherwise acquire, directly or indirectly, any of Loan Party's Equity Interests;

(k) liquidate or dissolve or elect to liquidate or dissolve, except that (i) a Borrower may liquidate or dissolve into any other Borrower, (ii) a Loan Party that is not a Borrower may liquidate or dissolve into any other Loan Party, (iii) any Subsidiary of a Loan Party that is not a Loan Party may liquidate or dissolve into a Loan Party and (iv) any Subsidiary that is not a Loan Party (other than any such Subsidiary the Equity Interests of which (or any portion thereof) is subject to a Lien in favor of Lender) may liquidate or dissolve so long as all of the assets of such liquidating or dissolving Subsidiary are transferred to a Loan Party or Subsidiary of a Loan Party that is not liquidating or dissolving;

(l) with respect to Parent and its Subsidiaries, taken as a whole, engage, directly or indirectly, in a business other than the business which is being conducted on the date hereof or any business reasonably related, incidental or ancillary thereto, wind up its business operations or cease substantially all, or any material portion, of its normal business operations, or suffer any material disruption, interruption or discontinuance of a material portion of its normal business operations;

(m) pay any principal or other amount on any Indebtedness that is contractually subordinated to Lender in violation of the applicable subordination or intercreditor agreement or optionally prepay, redeem, defease, purchase, or otherwise acquire any Indebtedness of any Loan Party or its Subsidiaries, other than (i) the Obligations in accordance with this Agreement, and (ii) Indebtedness owed to any Loan Party;

(n) enter into any transaction with an Affiliate other than (i) transactions between or among Loan Parties and their Subsidiaries, (ii) transactions on arms-length terms in the ordinary course of business, (iii) transactions permitted by Sections 5.25(e)(vi), 5.25(e)(viii) and 5.25(i), (iv) any indemnity provided for the benefit of directors (or comparable managers) of a Loan Party or one of its Subsidiaries so long as it has been approved by such Loan Party's or such Subsidiary's Board of Directors in accordance with applicable law, and (v) the payment of reasonable compensation, severance, or employee benefit arrangements to employees, officers and outside directors of any Loan Party or any of its Subsidiaries in the ordinary course of business and consistent with industry practice so long as it has been approved by such Loan Party's or such Subsidiary's Board of Directors in accordance with applicable law;

(o) change its jurisdiction of organization or enter into any transaction which has the effect of changing its jurisdiction of organization except as provided for in Section 5.8;

(p) agree, consent, permit or otherwise undertake to amend or otherwise modify any of the terms or provisions of any Loan Party's Organic Documents, except for such amendments or other modifications required by applicable law or that are not adverse to Lender, and then, only to the extent such amendments or other modifications are fully disclosed in writing to Lender no less than the date of the next Compliance Certificate that is required to be delivered hereunder;

(q) enter into or assume any agreement prohibiting the creation or assumption of any Lien on the Collateral to secure the Obligations upon its properties or assets, whether now owned or hereafter acquired, other than customary restrictions in leases, subleases, licenses and sublicenses or asset sale agreements otherwise permitted by this Agreement so long as such restrictions relate only to the assets subject thereto;

(r) create or otherwise cause or suffer to exist or become effective any encumbrance or restriction (other than any Loan Documents) of any kind on the ability of any such Person to pay or make any dividends or distributions to Borrowers, to pay any of the Obligations, to make loans or advances or to transfer any of its property or assets to Borrowers, except customary terms and conditions in respect of any Permitted Indebtedness or Permitted Liens;

(s) agree, consent, permit or otherwise undertake to amend or otherwise modify any of the terms or provisions of any Senior Secured Note Document in violation of the Intercreditor Agreement;

(t)(i) divide or enter into any plan of division pursuant to section 18-217 of the Delaware Limited Liability Company Act or any similar statute or provision under any applicable law or otherwise, (ii) dispose of any property through a plan of division under the Delaware Limited Liability Company Act or any comparable transaction under any similar law or (iii) make any payment or distribution pursuant to a plan of division under the Delaware Limited Liability Company Act or any comparable transaction under any similar law; or

(u) create or acquire any additional Subsidiaries other than in connection with a Permitted Acquisition and in each case to the extent compliant with Section 3.3.

5.26 [Reserved].

5.27 Employee and Labor Matters. There is (a) no unfair labor practice complaint pending or, to the knowledge of any Borrower, threatened against any Loan Party or its Subsidiaries before any Governmental Authority and no grievance or arbitration proceeding pending or threatened against any Loan Party or its Subsidiaries which arises out of or under any collective bargaining agreement and that could reasonably be expected to result in a material liability, (b) no strike, labor dispute, slowdown, stoppage or similar action or grievance pending or threatened in writing against any Loan Party or its Subsidiaries that could reasonably be expected to result in a material liability, or (c) to the knowledge of any Borrower, after due inquiry, no union representation question existing with respect to the employees of any Loan Party or its Subsidiaries and no union organizing activity taking place with respect to any of the employees of any Loan Party or its Subsidiaries. None of any Loan Party or its Subsidiaries has incurred any liability or obligation under the Worker Adjustment and Retraining Notification Act or similar state law, which remains unpaid or unsatisfied. The hours worked and payments made to employees of each Loan Party and its Subsidiaries have not been in material violation of the Fair Labor Standards Act or any other applicable legal requirements. All material payments due from any Loan Party or its Subsidiaries on account of wages and employee health and welfare insurance and other benefits have been paid or accrued as a liability on the books of Borrowers, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to result in a material liability.

5.28 Post Closing Matters. Loan Parties shall execute and deliver the documents and take such actions (or cause such actions to be taken by other Persons) as are set forth in the section labeled "Post Closing Deliverables and Covenants" on *Exhibit I annexed hereto*, in each case, on or prior to the deadlines specified on *Exhibit I* (or such later dates as Lender may agree in its sole discretion).

6. LIMITATION OF LIABILITY AND INDEMNITY.

6.1 Limitation of Liability. In no circumstance will Lender, any Participant, any of their respective successors and assigns, any of their respective Affiliates, or any of their respective directors, officers, employees, attorneys or agents (the "*Released Parties*") be liable for lost profits or other special, punitive, or consequential damages. Notwithstanding any provision in this Agreement to the contrary, this Section 6.1 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Loans.

6.2 Indemnity/Currency Indemnity.

(a) Each Loan Party hereby agrees to indemnify the Released Parties and hold them harmless from and against any and all claims, debts, liabilities, losses, demands, obligations, actions, causes of action, fines, penalties, costs and expenses (including reasonable and documented out-of-pocket attorneys' fees and consultants' fees), of every nature, character and description (including, without limitation, natural resources damages, property damage and claims for personal injury), which the Released Parties may sustain or incur based upon or arising out of any of the transactions contemplated by this Agreement or any other Loan Documents or any of the Obligations, including any transactions or occurrences relating to the issuance of any Letter of Credit, any Collateral relating thereto, any drafts thereunder and any errors or omissions relating thereto (including, without limitation, any loss or claim due to any action or inaction taken by the issuer of any Letter of Credit or Lender) (and for this purpose any charges to Lender by any issuer of Letters of Credit shall be conclusive as to their appropriateness and may be charged to the Loan Account), or any other matter, including any breach of any covenant or representation or warranty relating to any environmental and health and safety laws or an environmental release, cause or thing whatsoever occurred, done, omitted or suffered to be done by Lender relating to any Loan Party or the Obligations (except any such amounts sustained or incurred solely as the result of the gross negligence or willful misconduct of such Released Parties, as finally determined by a court of competent jurisdiction). Notwithstanding any provision in this Agreement to the contrary, this Section 6.2 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Obligations. This Section 6.2(a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(b) If, for the purposes of obtaining or enforcing judgment in any court in any jurisdiction with respect to this Agreement or any other Loan Document, it becomes necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due under this Agreement or under any other Loan Document in any currency other than the Judgment Currency (the "**Currency Due**") (or for the purposes of Section 1.7(d)), then, to the extent permitted by law, conversion shall be made at the exchange rate reasonably selected by Lender on the Business Day before the day on which judgment is given (or for the purposes of Section 1.7(d), on the Business Day on which the payment was received by the Lender). In the event that there is a change in such exchange rate between the Business Day before the day on which the judgment is given and the date of receipt by the Lender of the amount due, each Loan Party shall to the extent permitted by law, on the date of receipt by Lender, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any as may be necessary to ensure that the amount received by Lender on such date is the amount in the Judgment Currency which (when converted at such exchange rate on the date of receipt by Lender in accordance with normal banking procedures in the relevant jurisdiction) is the amount then due under this Agreement or such other Loan Document in the Currency Due. If the amount of the Currency Due (including any Currency Due for purposes of Section 1.7(d)) which the Lender is so able to purchase is less than the amount of the Currency Due (including any Currency Due for purposes of Section 1.7(d)) originally due to it, each Loan Party shall to the extent permitted by law jointly and severally indemnify and save Lender harmless from and against loss or damage arising as a result of such deficiency.

7. EVENTS OF DEFAULT AND REMEDIES.

7.1 Events of Default. The occurrence of any of the following events shall constitute an "**Event of Default**":

(a) if any warranty, representation, statement, report or certificate made or delivered to Lender by or on behalf of any Loan Party is untrue or misleading in any material respect;

(b) if any Loan Party fails to pay to Lender, (i) when due, any principal or interest payment required under this Agreement or any other Loan Document, or (ii) within three (3) Business Days when due, any other monetary Obligation;

(c) (1) if any Loan Party defaults in the due observance or performance of any covenant, condition or agreement contained in Section 4.1, 4.7, 4.8, 5.2, 5.3, 5.13, 5.14, 5.15, 5.17, 5.24, 5.25 or 5.28 of this Agreement; or

(2) if any Loan Party defaults in the due observance or performance of any covenant, condition or agreement contained in any provision of this Agreement or any other Loan Document and not addressed in clauses Sections 7.1(a), (b) or (c)(1), and the continuance of such default unremedied for a period of fifteen (15) Business Days; *provided*, that such fifteen (15) Business Day grace period shall not be available for any default that is not reasonably capable of being cured within such period or for any intentional default;

(d) if one or more judgments aggregating in excess of \$1,000,000 is obtained against any Loan Party (except to the extent fully covered (other than to the extent of customary deductibles) by insurance pursuant to which the insurer has not denied coverage) which remains unstayed for more than thirty (30) days or is enforced;

(e) any default with respect to any Indebtedness (other than the Obligations) of any Loan Party in a principal amount in excess of \$1,000,000 if (i) such default shall consist of the failure to pay such Indebtedness when due, whether by acceleration or otherwise, or (ii) the effect of such default is to permit the holder, with or without notice or lapse of time or both, to accelerate the maturity of any such Indebtedness or to cause such Indebtedness to become due prior to the stated maturity thereof (without regard to the existence of any subordination or intercreditor agreements);

(f) the dissolution, death, termination of existence, insolvency or business failure or suspension or cessation of business as usual of any Loan Party (or of any general partner of any Loan Party if it is a partnership), except in each case to the extent not in breach of Sections 5.25(a), 5.25(k) or 5.25(l);

(g) if any Loan Party shall apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of it or any of any material part of its properties, admit in writing its inability to pay its debts as they mature, make a general assignment for the benefit of creditors, be adjudicated as bankrupt or insolvent or be the subject of an order for relief under the Bankruptcy Code or under any bankruptcy or insolvency law of a foreign jurisdiction, or file a voluntary petition in bankruptcy, or a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any bankruptcy, reorganization, insolvency, readjustment of debt, dissolution or liquidation law or statute, or an answer admitting the material allegations of a petition filed against it in any proceeding under any such law, or take or permit to be taken any action in furtherance of or for the purpose of effecting any of the foregoing;

(h) the commencement of an involuntary case or other proceeding against any Loan Party seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar applicable law or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property and the same is not dismissed within sixty (60) days, or if an order for relief is entered against any Loan Party under any bankruptcy, insolvency or other similar applicable law as now or hereafter in effect;

(i) the actual or attempted revocation or termination of, or limitation or denial of liability under, any guaranty of any of the Obligations, or any security document securing any of the Obligations, by any Loan Party;

(j) if any Loan Party makes any payment on account of any Indebtedness or obligation which has been contractually subordinated to the Obligations other than payments which are not prohibited by the applicable subordination provisions pertaining thereto, or if any Person who has subordinated such Indebtedness or obligations attempts to limit or terminate any applicable subordination provisions pertaining thereto;

(k) if there is any actual indictment or conviction of any Borrower, any Guarantor or any of their respective Senior Officers under any criminal statute in each case related to a felony committed in the direct conduct of any Borrower's, or such Guarantor's business, as applicable;

(l) (i) the acquisition by any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders, that is or becomes the "beneficial owner" (as such term is used in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause (i) such person or group or Permitted Holder shall be deemed to have "beneficial ownership" of all shares that any such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 35% of the voting Equity Interests in Parent; *provided* that if such person is a group of investors which group includes one or more Permitted Holders, the shares of voting Equity Interests of such Person beneficially owned by the Permitted Holders that are part of such group shall not be counted for purposes of determining whether this clause (i) is triggered;

(ii) any Person or two or more Persons acting in concert (other than Permitted Holders), shall have acquired by contract or otherwise, or shall have entered into a contract or arrangement that, upon consummation thereof, will result in its or their acquisition of the power to exercise, directly or indirectly, a controlling influence over the management or policies of Parent or control over the Equity Interests of such Person entitled to vote for members of the Board of Directors of Parent on a fully-diluted basis (and taking into account all such Equity Interests that such Person or group has the right to acquire pursuant to any option right) representing 35% or more of the combined voting power of such Equity Interests;

(iii) during any period of 24 consecutive months commencing on or after the Closing Date, the occurrence of a change in the composition of the Board of Directors of Parent such that a majority of the members of such Board of Directors are not Continuing Directors;

(iv) Parent fails to own and control, directly or indirectly, 100% of the Equity Interests of each other Loan Party; or

(v) the occurrence of any "Change of Control" as defined in the Senior Secured Note Indenture;

(m) [reserved];

(n) if any Lien purported to be created by any Loan Document shall cease to be a valid perfected first priority Lien (subject only to the priority set forth in the Intercreditor Agreement and any priority accorded by law to Permitted Liens) on any material portion of the Collateral, or any Loan Party shall assert in writing that any Lien purported to be created by any Loan Document is not a valid perfected first priority lien (subject only to the priority set forth in the Intercreditor Agreement and any priority accorded by law to Permitted Liens) on the assets or properties purported to be covered thereby;

(o) if any of the Loan Documents shall cease to be in full force and effect (other than as a result of the discharge thereof in accordance with the terms thereof or by written agreement of all parties thereto);

(p) if (A) the outstanding balance of all Revolving Loans and the Letter of Credit Balance exceeds, at any time, the lesser of (x) the Maximum Revolving Facility Amount and (y) the Borrowing Base, or (B) any of the Loan Limits for Revolving Loans are, at any time, exceeded;

(q) (i) an ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party or any ERISA Affiliate under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of \$500,000, (ii) the existence of any Lien under Section 430(k) or Section 6321 of the Code or Section 303(k) or Section 4068 of ERISA on any assets of a Loan Party or any ERISA Affiliate, or (iii) a Loan Party or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of \$500,000;

(r) If (i) any Loan Party is enjoined, restrained or in any way prevented by any Governmental Authority from conducting any material part of businesses of the Loan Parties taken as a whole, (ii) any Loan Party suffers the loss, revocation or termination of any material license, permit, lease or agreement necessary the businesses of the Loan Parties taken as a whole, or (iii) there is a cessation of any material part of any Loan Parties' business taken as a whole for a material period of time;

(s) (i) an "Event of Default" under (and as defined in) the Senior Secured Note Agreement has occurred; (ii) termination or breach of the Intercreditor Agreement by Borrowers, (iii) the attempt by any Borrower to terminate or challenge in writing the validity of its obligations under the Intercreditor Agreement or (iv) the Intercreditor Agreement ceases to be enforceable;

(t) the over-the-air broadcast operations at any Station shall be interrupted at any time for more than 48 hours, whether or not consecutive, during any period of 14 consecutive days and such interruption could reasonably be expected to have a Material Adverse Effect;

(u) any (a) material License (including any Broadcast License) shall be revoked or cancelled or expired by its terms and not be renewed, or shall be modified, in each case in a manner which could, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (b) any administrative law judge or other representative of the FCC shall have issued an initial decision in any renewal or revocation proceeding to the effect that a Broadcast License should be revoked or not be renewed, or (c) any other proceeding shall have been instituted by the FCC or shall have been commenced before any court, the FCC or any other regulatory body that could reasonably be expected to result in (i) cancellation, termination, rescission, revocation, suspension, material impairment, or denial of renewal of a material License, (ii) a modification of a material License in a material adverse respect or a renewal thereof on terms that materially and adversely affect the economic or commercial value or usefulness thereof, or (iii) a forfeiture (within the meaning of 47 C.F.R. § 1.80 of the FCC's regulations) or other materially adverse effect on or with respect to a material License that could reasonably be expected to have a Material Adverse Effect; or

(v) any Material Contract with any Material Third-Party Stations shall be terminated or cancelled without renewal where such terminations or cancellations could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

7.2 Remedies with Respect to Lending Commitments/Acceleration/Etc Upon the occurrence and during the continuance of an Event of Default Lender may, in Lender's sole discretion (a) terminate all or any portion of its commitment to lend to or extend credit to Borrowers under this Agreement and/or any other Loan Document, without prior notice to any Loan Party, and/or (b) demand payment in full of all or any portion of the Obligations (whether or not payable on demand prior to such Event of Default), together with the Early Payment/Termination Premium in the amount specified in the Fee Letter, and demand that the Letters of Credit be cash collateralized in the manner described in Section 1.7(c) and/or (c) take any and all other and further actions and avail itself of any and all rights and remedies available to Lender under this Agreement, any other Loan Document, under law and/or in equity. Notwithstanding the foregoing sentence, upon the occurrence of any Event of Default described in

Section 7.1(g) or Section 7.1(h), without notice, demand or other action by Lender all of the Obligations (including without limitation the Early Payment/Termination Premium in the amount specified in the Fee Letter) shall immediately become due and payable whether or not payable on demand prior to such Event of Default.

7.3 Remedies with Respect to Collateral. Without limiting any rights or remedies Lender may have pursuant to this Agreement, the other Loan Documents, under applicable law or otherwise, upon the occurrence and during the continuance of an Event of Default:

(a) **Any and All Remedies.** Lender may take any and all actions and avail itself of any and all rights and remedies available to Lender under this Agreement, any other Loan Document, under law or in equity, and the rights and remedies herein and therein provided shall be cumulative and not exclusive of any rights or remedies provided by applicable law or otherwise.

(b) **Collections; Modifications of Terms.** Lender may but shall be under no obligation to (i) notify all appropriate parties that the Collateral, or any part thereof, has been assigned to Lender; (ii) demand, sue for, collect and give receipts for and take all necessary or desirable steps to collect any Collateral or Proceeds in its or any Loan Party's name, and apply any such collections against the Obligations as Lender may elect; (iii) take control of any Collateral and any cash and non-cash Proceeds of any Collateral; (iv) enforce, compromise, extend, renew settle or discharge any rights or benefits of each Loan Party with respect to or in and to any Collateral, or deal with the Collateral as Lender may deem advisable; and (v) make any compromises, exchanges, substitutions or surrenders of Collateral Lender deems necessary or proper in its reasonable discretion, including extending the time of payment, permitting payment in installments, or otherwise modifying the terms or rights relating to any of the Collateral, all of which may be effected without notice to, consent of, or any other action of any Loan Party and without otherwise discharging or affecting the Obligations, the Collateral or the security interests granted to Lender under this Agreement or any other Loan Document.

(c) **Insurance.** Lender may file proofs of loss and claim with respect to any of the Collateral with the appropriate insurer, and may endorse in its own and each Loan Party's name any checks or drafts constituting Proceeds of insurance. Any Proceeds of insurance received by Lender may be applied by Lender against payment of all or any portion of the Obligations as Lender may elect in its reasonable discretion.

(d) **Possession and Assembly of Collateral.** Lender may take possession of the Collateral and/or without removal render each Loan Party's Equipment unusable. Upon Lender's request and subject to the Intercreditor Agreement, each Loan Party shall assemble the Collateral and make it available to Lender at a place or places to be designated by Lender.

(e) **Set-off.** Lender may and without any notice to, consent of or any other action by any Loan Party (such notice, consent or other action being expressly waived), set-off or apply (i) any and all deposits (general or special, time or demand, provisional or final) at any time held by or for the account of Lender or any Affiliate of Lender, and/or (ii) any Indebtedness at any time owing by Lender or any Affiliate of Lender or any Participant in the Loans to or for the credit or the account of any Loan Party, to the repayment of the Obligations irrespective of whether any demand for payment of the Obligations has been made.

(f) Disposition of Collateral.

(i) *Sale, Lease, etc. of Collateral.* Lender may, without demand, advertising or notice, all of which each Loan Party hereby waives (except as the same may be required by the UCC or other applicable law and is not waivable under the UCC or such other applicable law), at any time or times in one or more public or private sales or other dispositions, for cash, on credit or otherwise, at such prices and upon such terms as determined by Lender (provided such price and terms are commercially reasonable within the meaning of the UCC to the extent such sale or other disposition is subject to the UCC requirements that such sale or other disposition must be commercially reasonable) (A) sell, lease, license or otherwise dispose of any and all Collateral, and/or (B) deliver and grant options to a third party to purchase, lease, license or otherwise dispose of any and all Collateral. Lender may sell, lease, license or otherwise dispose of any Collateral in its then-present condition or following any preparation or processing deemed necessary by Lender in its reasonable discretion. Lender may be the purchaser at any such public or private sale or other disposition of Collateral, and in such case Lender may make payment of all or any portion of the purchase price thereof by the application of all or any portion of the Obligations due to Lender to the purchase price payable in connection with such sale or disposition. Lender may, if it deems it reasonable, postpone or adjourn any sale or other disposition of any Collateral from time to time by an announcement at the time and place of the sale or disposition to be so postponed or adjourned without being required to give a new notice of sale or disposition; **provided, however**, that Lender shall provide the applicable Loan Party with written notice of the time and place of such postponed or adjourned sale or disposition. Each Loan Party hereby acknowledges and agrees that Lender's compliance with any requirements of applicable law in connection with a sale, lease, license or other disposition of Collateral will not be considered to adversely affect the commercial reasonableness of any sale, lease, license or other disposition of such Collateral.

(ii) *Deficiency.* Each Loan Party shall remain liable for all amounts of the Obligations remaining unpaid as a result of any deficiency of the Proceeds of the sale, lease, license or other disposition of Collateral after such Proceeds are applied to the Obligations as provided in this Agreement.

(iii) *Warranties; Sales on Credit.* Lender may sell, lease, license or otherwise dispose of the Collateral without giving any warranties and may specifically disclaim any and all warranties, including but not limited to warranties of title, possession, merchantability and fitness. Each Loan Party hereby acknowledges and agrees that Lender's disclaimer of any and all warranties in connection with a sale, lease, license or other disposition of Collateral will not be considered to adversely affect the commercial reasonableness of any such disposition of the Collateral. If Lender sells, leases, licenses or otherwise disposes of any of the Collateral on credit, Borrowers will be credited only with payments actually made in cash by the recipient of such Collateral and received by Lender and applied to the Obligations. If any Person fails to pay for Collateral acquired pursuant to this Section 7.3(f) on credit, Lender may re-offer the Collateral for sale, lease, license or other disposition.

(g) Investment Property; Voting and Other Rights; Irrevocable Proxy

(i) All rights of each Loan Party to exercise any of the voting and other consensual rights which it would otherwise be entitled to exercise in accordance with the terms hereof with respect to any Investment Property, and to receive any dividends, payments, and other distributions which it would otherwise be authorized to receive and retain in accordance with the terms hereof with respect to any Investment Property, shall immediately, at the election of Lender (without requiring any notice) cease, and all such rights shall thereupon become vested solely in Lender, and Lender (personally or through an agent) shall thereupon be solely authorized and empowered, without notice, to (A) transfer and register in its name, or in the name of its nominee, the whole or any part of the Investment Property, it being acknowledged by each Loan Party that any such transfer and registration may be effected by Lender through its irrevocable appointment as attorney-in-fact pursuant to Section 7.3(g)(ii) and Section 4.4 of this Agreement, (B) exchange certificates and/or instruments representing or evidencing Investment Property for certificates and/or instruments of smaller or larger denominations, (C) exercise the voting and all other rights as a holder with respect to all or any portion of the Investment Property (including, without limitation, all economic rights, all control rights, authority and powers, and all status rights of each Loan Party as a member or as a shareholder (as applicable) of the Issuer), (D) collect and receive all dividends and other

payments and distributions made thereon, (E) notify the parties obligated on any Investment Property to make payment to Lender of any amounts due or to become due thereunder, (F) endorse instruments in the name of each Loan Party to allow collection of any Investment Property, (G) enforce collection of any of the Investment Property by suit or otherwise, and surrender, release, or exchange all or any part thereof, or compromise or renew for any period (whether or not longer than the original period) any liabilities of any nature of any Person with respect thereto, (H) consummate any sales of Investment Property or exercise any other rights as set forth in Section 7.3(f) hereof, (I) otherwise act with respect to the Investment Property as though Lender was the outright owner thereof, and (J) exercise any other rights or remedies Lender may have under the UCC, other applicable law, or otherwise.

(ii) EACH LOAN PARTY HEREBY IRREVOCABLY CONSTITUTES AND APPOINTS LENDER AS ITS PROXY AND ATTORNEY-IN-FACT FOR SUCH LOAN PARTY WITH RESPECT TO ALL OF EACH SUCH LOAN PARTY'S INVESTMENT PROPERTY WITH THE RIGHT, DURING THE CONTINUANCE OF AN EVENT OF DEFAULT, WITHOUT NOTICE, TO TAKE ANY OF THE FOLLOWING ACTIONS: (A) TRANSFER AND REGISTER IN LENDER'S NAME, OR IN THE NAME OF ITS NOMINEE, THE WHOLE OR ANY PART OF THE INVESTMENT PROPERTY, (B) VOTE THE PLEDGED EQUITY, WITH FULL POWER OF SUBSTITUTION TO DO SO, (C) RECEIVE AND COLLECT ANY DIVIDEND OR ANY OTHER PAYMENT OR DISTRIBUTION IN RESPECT OF, OR IN EXCHANGE FOR, THE INVESTMENT PROPERTY OR ANY PORTION THEREOF, TO GIVE FULL DISCHARGE FOR THE SAME AND TO INDORSE ANY INSTRUMENT MADE PAYABLE TO ANY LOAN PARTY FOR THE SAME, (D) EXERCISE ALL OTHER RIGHTS, POWERS, PRIVILEGES, AND REMEDIES (INCLUDING ALL ECONOMIC RIGHTS, ALL CONTROL RIGHTS, AUTHORITY AND POWERS, AND ALL STATUS RIGHTS OF EACH LOAN PARTY AS A MEMBER OR AS A SHAREHOLDER (AS APPLICABLE) OF THE ISSUER) TO WHICH A HOLDER OF THE PLEDGED COLLATERAL WOULD BE ENTITLED (INCLUDING, WITH RESPECT TO THE PLEDGED EQUITY, GIVING OR WITHHOLDING WRITTEN CONSENTS OF MEMBERS OR SHAREHOLDERS, CALLING SPECIAL MEETINGS OF MEMBERS OR SHAREHOLDERS, AND VOTING AT SUCH MEETINGS), AND (E) TAKE ANY ACTION AND EXECUTE ANY INSTRUMENT WHICH LENDER MAY DEEM NECESSARY OR ADVISABLE TO ACCOMPLISH THE PURPOSES OF THIS AGREEMENT. THE APPOINTMENT OF LENDER AS PROXY AND ATTORNEY-IN-FACT IS COUPLED WITH AN INTEREST AND SHALL BE VALID AND IRREVOCABLE UNTIL (X) ALL OF THE OBLIGATIONS HAVE BEEN INDEFEASIBLY PAID IN FULL IN CASH IN ACCORDANCE WITH THE PROVISIONS OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS, (Y) LENDER HAS NO FURTHER OBLIGATIONS UNDER THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, AND (Z) THE COMMITMENTS UNDER THIS AGREEMENT HAVE EXPIRED OR HAVE BEEN TERMINATED (IT BEING UNDERSTOOD AND AGREED THAT SUCH OBLIGATIONS WILL BE AUTOMATICALLY REINSTATED IF AT ANY TIME PAYMENT, IN WHOLE OR IN PART, OF ANY OF THE OBLIGATIONS IS RESCINDED OR MUST OTHERWISE BE RESTORED OR RETURNED BY LENDER FOR ANY REASON WHATSOEVER, INCLUDING, WITHOUT LIMITATION, AS A PREFERENCE, FRAUDULENT CONVEYANCE, OR OTHERWISE UNDER ANY BANKRUPTCY, INSOLVENCY, OR SIMILAR LAW, ALL AS THOUGH SUCH PAYMENT HAD NOT BEEN MADE; IT BEING FURTHER UNDERSTOOD THAT IN THE EVENT PAYMENT OF ALL OR ANY PART OF THE OBLIGATIONS IS RESCINDED OR MUST BE RESTORED OR RETURNED, ALL REASONABLE OUT-OF-POCKET COSTS AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ALL REASONABLE ATTORNEYS' FEES AND DISBURSEMENTS) INCURRED BY LENDER IN DEFENDING AND ENFORCING SUCH REINSTATEMENT SHALL HEREBY BE DEEMED TO BE INCLUDED AS A PART OF THE OBLIGATIONS). SUCH APPOINTMENT OF LENDER AS PROXY AND AS ATTORNEY-IN-FACT SHALL BE VALID AND IRREVOCABLE AS PROVIDED HEREIN NOTWITHSTANDING ANY LIMITATIONS TO THE CONTRARY SET FORTH IN ANY ORGANIC DOCUMENTS OF ANY LOAN PARTY, ANY ISSUER, OR OTHERWISE.

(iii) In order to further effect the foregoing transfer of rights in favor of Lender, during the continuance of an Event of Default, each Loan Party hereby authorizes and instructs each Issuer of Investment Property pledged by such Loan Party to comply with any instruction received by such Issuer from Lender without any other or further instruction from such Loan Party, and each Loan Party acknowledges and agrees that each Issuer shall be fully protected in so complying, and to pay any dividends, distributions, or other payments with respect to any of the Investment Property directly to Lender.

(iv) Upon exercise of the proxy set forth herein, all prior proxies given by any Loan Party with respect to any of the Pledged Equity or other Investment Property, as applicable (other than to Lender), are hereby revoked, and no subsequent proxies (other than to Lender) will be given with respect to any of the Pledged Equity or any of the other Investment Property, as applicable, unless Lender otherwise subsequently agrees in writing. Lender, as proxy, will be empowered and may exercise the irrevocable proxy to vote the Pledged Equity and/or the other Investment Property at any and all times during the existence of an Event of Default, including, without limitation, at any meeting of shareholders or members, as the case may be, however called, and at any adjournment thereof, or in any action by written consent, and may waive any notice otherwise required in connection therewith. To the fullest extent permitted by applicable law, Lender shall have no agency, fiduciary, or other implied duties to any Loan Party, any Issuer, any Loan Party, or any other Person when acting in its capacity as such proxy or attorney-in-fact. Each Loan Party hereby waives and releases any claims that it may otherwise have against Lender with respect to any breach, or alleged breach, of any such agency, fiduciary, or other duty.

(v) Any transfer to Lender or its nominee, or registration in the name of Lender or its nominee, of the whole or any part of the Investment Property shall be made solely for purposes of effectuating voting or other consensual rights with respect to the Investment Property in accordance with the terms of this Agreement and is not intended to effectuate any transfer of ownership of any of the Investment Property. Notwithstanding the delivery by Lender of any instruction to any Issuer or any exercise by Lender of an irrevocable proxy or otherwise, Lender shall not be deemed the owner of, or assume any obligations or any liabilities whatsoever of the owner or holder of, any Investment Property unless and until Lender expressly accepts such obligations in a duly authorized and executed writing and agrees in writing to become bound by the applicable Organic Documents or otherwise becomes the owner thereof under applicable law (including through a sale as described in Section 7.3(f) hereof). The execution and delivery of this Agreement shall not subject Lender to, or transfer or pass to Lender, or in any way affect or modify, the liability of any Loan Party under the Organic Documents of any Issuer or any related agreements, documents, or instruments or otherwise. In no event shall the execution and delivery of this Agreement by Lender, or the exercise by Lender of any rights hereunder or assigned hereby, constitute an assumption of any liability or obligation whatsoever of any Loan Party to, under, or in connection with any of the Organic Documents of any Issuer or any related agreements, documents, or instruments or otherwise.

(h) **Election of Remedies.** Lender shall have the right in Lender's sole discretion to determine which rights, security, Liens and/or remedies Lender may at any time pursue, foreclose upon, relinquish, subordinate, modify or take any other action with respect to, without in any way impairing, modifying or affecting any of Lender's other rights, security, Liens or remedies with respect to such property, or any of Lender's rights or remedies under this Agreement or any other Loan Document.

(i) **Lender's Obligations.** Each Loan Party agrees that Lender shall not have any obligation to preserve rights to any Collateral against prior parties or to marshal any Collateral of any kind for the benefit of any other creditor of any Loan Party or any other Person. Lender shall not be responsible to any Loan Party or any other Person for loss or damage resulting from Lender's failure to enforce its Liens or collect any Collateral or Proceeds or any monies due or to become due under the Obligations or any other liability or obligation of any Loan Party to Lender.

(j) Waiver of Rights by Loan Parties.

(i) Except as otherwise expressly provided for in this Agreement or by non-waivable applicable law, each Loan Party waives:

(i) presentment, demand and protest and notice of presentment, dishonor, notice of intent to accelerate, notice of acceleration, protest, default, nonpayment, maturity, release, compromise, settlement, extension or renewal of any or all commercial paper, accounts, contract rights, documents, instruments, chattel paper and guaranties at any time held by Lender on which any Loan Party may in any way be liable, and hereby ratifies and confirms whatever Lender may do in this regard, (ii) all rights to notice and a hearing prior to Lender's taking possession or control of, or to Lender's replevy, attachment or levy upon, the Collateral or any bond or security which might be required by any court prior to allowing Lender to exercise any of its remedies and (iii) the benefit of all valuation, appraisal, marshalling and exemption laws.

(ii) Each of the Loan Parties hereby acknowledges and affirms that it understands that to the extent the Obligations are secured by Real Estate located in California, the Loan Parties shall be liable for the full amount of the liability hereunder notwithstanding the foreclosure on such Real Estate by trustee sale or any other reason impairing such Loan Party's right to proceed against any other Loan Party. In accordance with Section 2856 of the California Civil Code or any similar laws of any other applicable jurisdiction, each of the Loan Parties hereby waives until such time as the Obligations have been paid in full:

(iii) (A) all rights of subrogation, reimbursement, indemnification, and contribution and any other rights and defenses that are or may become available to the Borrowers by reason of Sections 2787 to 2855, inclusive, 2899, and 3433 of the California Civil Code or any similar laws of any other applicable jurisdiction;

(B) all rights and defenses that the Loan Parties may have because the Obligations are secured by Real Estate located in California, meaning, among other things, that: (I) Lender may collect from the Loan Parties without first foreclosing on any real or personal property collateral pledged by any Loan Party, and (II) if Lender forecloses on any Real Estate Collateral pledged by any Loan Party, (1) the amount of the Obligations may be reduced only by the price for which that collateral is sold at the foreclosure sale, even if the collateral is worth more than the sale price, and (2) Lender may collect from the Loan Parties even if, by foreclosing on the Real Estate Collateral, Lender have destroyed or impaired any right the Loan Parties may have to collect from any other Loan Party, it being understood that this is an unconditional and irrevocable waiver of any rights and defenses the Loan Parties may have because the Obligations are secured by Real Estate (including, without limitation, any rights or defenses based upon Sections 580a, 580d, or 726 of the California Code of Civil Procedure or any similar laws of any other applicable jurisdiction); and

(C) all rights and defenses arising out of an election of remedies by Lender even though that election of remedies, such as a nonjudicial foreclosure with respect to security for the Obligations, has destroyed the Loan Parties' rights of subrogation and reimbursement against any other Loan Party by the operation of Section 580d of the California Code of Civil Procedure or any similar laws of any other applicable jurisdiction or otherwise.

8. LOAN GUARANTY.

8.1 Guaranty. Each Guarantor hereby agrees that it is jointly and severally liable for, and absolutely and unconditionally guarantees to Lender, the prompt payment when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter, all of the Obligations, including all costs and expenses due under the Loan Documents pursuant to Section 10.7 paid or incurred by Lender in endeavoring to collect all or any part of the Obligations from, or in prosecuting any action against, any Borrower, any Guarantor of all or any part of the Obligations (and such costs and expenses paid or incurred shall be deemed to be included in the Obligations). Each Guarantor further agrees that the Obligations may

be extended or renewed in whole or in part without notice to or further assent from it, and that it remains bound upon its guarantee notwithstanding any such extension or renewal. All terms of this Loan Guaranty apply to and may be enforced by or on behalf of any branch or Affiliate of Lender that extended any portion of the Obligations.

8.2 Guaranty of Payment. This Loan Guaranty is a guaranty of payment and not of collection. Each Guarantor waives any right to require Lender to sue or otherwise take action against any Borrower, any other Guarantor, or any other Person obligated for all or any part of the Obligations, or otherwise to enforce its payment against any Collateral securing all or any part of the Obligations.

8.3 No Discharge or Diminishment of Loan Guaranty.

(a) Except as otherwise expressly provided for herein, the obligations of each Guarantor hereunder are unconditional and absolute and not subject to any reduction, limitation, impairment or termination for any reason (other than the indefeasible payment in full in cash of all of the Obligations (other than any contingent indemnification obligations for which no claim has been asserted or any Obligations which have been cash collateralized in accordance with the terms of this Agreement)), including: (i) any claim of waiver, release, extension, renewal, settlement, surrender, alteration, or compromise of any of the Obligations, by operation of law or otherwise; (ii) any change in the corporate existence, structure or ownership of any Borrower or any other Guarantor; (iii) any insolvency, bankruptcy, reorganization or other similar proceeding affecting any Borrower or any other Guarantor, or their assets or any resulting release or discharge of any obligation of any Borrower or any other Guarantor; or (iv) the existence of any claim, setoff or other rights which any Guarantor may have at any time against any Borrower, any other Guarantor, Lender, or any other Person, whether in connection herewith or in any unrelated transactions.

(b) The obligations of each Guarantor hereunder are not subject to any defense or setoff, counterclaim, recoupment, or termination whatsoever by reason of the invalidity, illegality, or unenforceability of any of the Obligations or otherwise, or any provision of applicable law or regulation purporting to prohibit payment by any Borrower or any other Guarantor, of the Obligations or any part thereof.

(c) Further, the obligations of any Guarantor hereunder are not discharged or impaired or otherwise affected by: (i) the failure of Lender to assert any claim or demand or to enforce any remedy with respect to all or any part of the Obligations; (ii) any waiver or modification of or supplement to any provision of any agreement relating to the Obligations; (iii) any release, non-perfection, or invalidity of any indirect or direct security for all or any part of the Obligations or all or any part of any obligations of any Guarantor; (iv) any action or failure to act by Lender with respect to any Collateral; or (v) any default, failure or delay, willful or otherwise, in the payment or performance of any of the Obligations, or any other circumstance, act, omission or delay that might in any manner or to any extent vary the risk of such Guarantor or that would otherwise operate as a discharge of any Guarantor as a matter of law or equity (other than the indefeasible payment in full in cash of all of the Obligations (other than any contingent indemnification obligations for which no claim has been asserted or any Obligations which have been cash collateralized in accordance with the terms of this Agreement)).

8.4 Defenses Waived. To the fullest extent permitted by applicable law, each Guarantor hereby waives any defense based on or arising out of any defense of any Guarantor or the unenforceability of all or any part of the Obligations from any cause, or the cessation from any cause of the liability of any Guarantor, other than the indefeasible payment in full in cash of all of the Obligations (other than any contingent indemnification obligations for which no claim has been asserted or any Obligations which have been cash collateralized in accordance with the terms of this Agreement). Without limiting the generality of the foregoing, each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest and,

to the fullest extent permitted by law, any notice not provided for herein, as well as any requirement that at any time any action be taken by any Person against any Borrower, or any other Person. Each Guarantor confirms that it is not a surety under any state law and shall not raise any such law as a defense to its obligations hereunder. Lender may, at its election, foreclose on any Collateral held by it by one or more judicial or nonjudicial sales, accept an assignment of any such Collateral in lieu of foreclosure or otherwise act or fail to act with respect to any Collateral, compromise or adjust any part of the Obligations, make any other accommodation with any Borrower or any other Guarantor or exercise any other right or remedy available to it against any Borrower or any other Guarantor, without affecting or impairing in any way the liability of any Guarantor under this Loan Guaranty except to the extent the Obligations have been fully and indefeasibly paid in cash (other than any contingent indemnification obligations for which no claim has been asserted or any Obligations which have been cash collateralized in accordance with the terms of this Agreement). To the fullest extent permitted by applicable law, each Guarantor waives any defense arising out of any such election even though that election may operate, pursuant to applicable law, to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any Borrower or any other Guarantor or any security.

8.5 Rights of Subrogation. No Guarantor will assert any right, claim or cause of action, including, without limitation, a claim of subrogation, contribution or indemnification that it has against any Borrower or any other Guarantor, or any Collateral, until the Termination Date.

8.6 Reinstatement; Stay of Acceleration. If at any time any payment of any portion of the Obligations is rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, or reorganization of any Borrower or any other Person, or otherwise, each Guarantor's obligations under this Loan Guaranty with respect to that payment shall be reinstated at such time as though the payment had not been made and whether or not Lender is in possession of this Loan Guaranty. If acceleration of the time for payment of any of the Obligations is stayed upon the insolvency, bankruptcy or reorganization of any Borrower, all such amounts otherwise subject to acceleration under the terms of any agreement relating to the Obligations shall nonetheless be payable by the Loan Parties forthwith on demand by Lender. This Section 8.6 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Obligations.

8.7 Information. Each Guarantor assumes all responsibility for being and keeping itself informed of Borrowers' financial condition and assets, and of all other circumstances bearing upon the risk of nonpayment of the Obligations and the nature, scope and extent of the risks that each Guarantor assumes and incurs under this Loan Guaranty, and agrees that Lender shall not have any duty to advise any Guarantor of information known to it regarding those circumstances or risks.

8.8 Termination. To the maximum extent permitted by law, each Guarantor hereby waives any right to revoke this Loan Guaranty as to future Obligations. If such a revocation is effective notwithstanding the foregoing waiver, each Guarantor acknowledges and agrees that (a) no such revocation shall be effective until written notice thereof has been received by Lender, (b) no such revocation shall apply to any Obligations in existence on the date of receipt by Lender of such written notice (including any subsequent continuation, extension, or renewal thereof, or change in the interest rate, payment terms, or other terms and conditions thereof), (c) no such revocation shall apply to any Obligations made or created after such date to the extent made or created pursuant to a legally binding commitment of Lender, (d) no payment by any Borrower, any other Guarantor, or from any other source, prior to the date of Lender's receipt of written notice of such revocation shall reduce the maximum obligation of any Guarantor hereunder, and (e) any payment, by any Borrower or from any source other than a Guarantor which has made such a revocation, made subsequent to the date of such revocation, shall first be applied to that portion of the Obligations as to which the revocation is effective and which are not, therefore, guaranteed hereunder, and to the extent so applied shall not reduce the maximum obligation of any Guarantor hereunder.

8.9 Maximum Liability. The provisions of this Loan Guaranty are severable, and in any action or proceeding involving any federal or state corporate law or other law governing business entities, or any state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor under this Loan Guaranty would otherwise be held or determined to be avoidable, invalid or unenforceable on account of the amount of such Guarantor's liability under this Loan Guaranty, then, notwithstanding any other provision of this Loan Guaranty to the contrary, the amount of such liability shall, without any further action by the Loan Parties or Lender, be automatically limited and reduced to the highest amount that is valid and enforceable as determined in such action or proceeding (such highest amount determined hereunder being the relevant Guarantor's "**Maximum Liability**"). This Section with respect to the Maximum Liability of each Guarantor is intended solely to preserve the rights of Lender to the maximum extent not subject to avoidance under applicable law, and no Guarantor nor any other Person shall have any right or claim under this Section with respect to such Maximum Liability, except to the extent necessary so that the obligations of any Guarantor hereunder shall not be rendered voidable under applicable law. Each Guarantor agrees that the Obligations may at any time and from time to time exceed the Maximum Liability of each Guarantor without impairing this Loan Guaranty or affecting the rights and remedies of Lender hereunder, *provided*, that, nothing in this sentence shall be construed to increase any Guarantor's obligations hereunder beyond its Maximum Liability.

8.10 Contribution. In the event any Guarantor shall make any payment or payments under this Loan Guaranty or shall suffer any loss as a result of any realization upon any collateral granted by it to secure its obligations under this Loan Guaranty (such Guarantor a "**Paying Guarantor**"), each other Guarantor (each a "**Non-Paying Guarantor**") shall contribute to such Paying Guarantor an amount equal to such Non-Paying Guarantor's "Applicable Percentage" of such payment or payments made, or losses suffered, by such Paying Guarantor. For purposes of this Section 8.10, each Non-Paying Guarantor's "Applicable Percentage" with respect to any such payment or loss by a Paying Guarantor shall be determined as of the date on which such payment or loss was made by reference to the ratio of (a) such Non-Paying Guarantor's Maximum Liability as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder) or, if such Non-Paying Guarantor's Maximum Liability has not been determined, the aggregate amount of all monies received by such Non-Paying Guarantor from Borrowers after the date hereof (whether by loan, capital infusion or by other means) to (b) the aggregate Maximum Liability of all Loan Parties hereunder (including such Paying Guarantor) as of such date (without giving effect to any right to receive, or obligation to make, any contribution hereunder), or to the extent that a Maximum Liability has not been determined for any Guarantor, the aggregate amount of all monies received by such Loan Parties from Borrowers after the date hereof (whether by loan, capital infusion or by other means). Nothing in this provision shall affect any Guarantor's several liability for the entire amount of the Obligations (up to such Guarantor's Maximum Liability). Each of the Loan Parties covenants and agrees that its right to receive any contribution under this Loan Guaranty from a Non-Paying Guarantor shall be subordinate and junior in right of payment to the payment in full in cash of all of the Obligations. This provision is for the benefit of Lender and the Loan Parties and may be enforced by any one, or more, or all of them in accordance with the terms hereof.

8.11 Liability Cumulative. The liability of each Guarantor under this Section 8 is in addition to and shall be cumulative with all liabilities of each Guarantor to Lender under this Agreement and the other Loan Documents to which such Guarantor is a party or in respect of any obligations or liabilities of the other Loan Parties, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

9. PAYMENTS FREE OF TAXES; OBLIGATION TO WITHHOLD; PAYMENTS ON ACCOUNT OF TAXES.

9.1 Taxes.

(a) Any and all payments by or on account of any obligation of the Loan Parties hereunder or under any other Loan Document shall to the extent permitted by applicable laws be made free and clear of and without reduction or withholding for any Taxes, except as required by applicable law. If, however, applicable laws require the Loan Parties to withhold or deduct any Tax, such Tax shall be withheld or deducted in accordance with such laws as the case may be, upon the basis of the information and documentation to be delivered pursuant to clause (e) below.

(b) If any Loan Party shall be required by applicable law to withhold or deduct any Taxes from any payment, then (i) such Loan Party shall withhold or make such deductions as are required based upon the information and documentation it has received pursuant to clause (e) below, (ii) such Loan Party shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with the applicable law, and (iii) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the Loan Parties shall be increased as necessary so that after any required withholding or the making of all required deductions in respect of Indemnified Taxes (including such deductions applicable to additional sums payable under this Section) the Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made. Upon request by Lender or other Recipient, Borrowers shall deliver to Lender or such other Recipient, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment of Indemnified Taxes, a copy of any return required by applicable law to report such payment or other evidence of such payment reasonably satisfactory to Lender or such other Recipient, as the case may be.

(c) Without limiting the provisions of subsections (a) and (b) above, the Loan Parties shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(d) Without limiting the provisions of subsections (a) through (c) above, each Loan Party shall, and does hereby, on a joint and several basis indemnify Lender and each other Recipient (and their respective directors, officers, employees, affiliates and agents) and shall make payment in respect thereof within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes and Other Taxes (including Indemnified Taxes and Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid or incurred by Lender or any other Recipient on account of, or in connection with any Loan Document or a breach by a Loan Party thereof, and any penalties, interest and reasonable related expenses and losses arising therefrom or with respect thereto (including the fees, charges and disbursements of any counsel or other tax advisor for Lender or any other Recipient), whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of any such payment or liability delivered to Borrowers shall be conclusive absent manifest error. Notwithstanding any provision in this Agreement to the contrary, this Section 9.1 shall remain operative even after the Termination Date and shall survive the payment in full of all of the Loans.

(e) If Lender or any Participant is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document, Lender shall deliver to Borrowers and each such Participant shall deliver to Lender granting the participation, at the time or times prescribed by applicable laws or reasonably requested by the Borrowers or Lender granting the participation, such properly completed and executed documentation as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, Lender shall deliver to Borrowers and each Participant shall deliver to Lender granting the participation, at the time or times prescribed by applicable laws or reasonably requested by the Borrowers or the Lender granting the participation, such properly completed and executed documentation prescribed by applicable laws or by the taxing authorities of any jurisdiction or such other reasonably requested information as will enable Borrowers or Lender granting the participation, as the case may be, to determine (i) whether or not payments made hereunder or under any other Loan Document are subject to Taxes or information reporting

requirements, (ii) if applicable, the required rate of withholding or deduction, and (iii) such Lender's or Participant's entitlement to any available exemption from, or reduction of, applicable Taxes in respect of all payments to be made to such Recipient by the Loan Parties pursuant to this Agreement or otherwise to establish such Recipient's status for withholding tax purposes in the applicable jurisdiction. 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 Section 9.1(e)(i), (ii) or (iii)) shall not be required if in the Lender's or Participant's reasonable judgment such completion, execution or submission would subject such Lender or Participant to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender or Participant.

Without limiting the generality of the foregoing, if a Borrower is resident for tax purposes in the United States:

(i) Lender (or Participant) that is a "United States person" within the meaning of Section 7701(a)(30) of the Code shall deliver to Borrowers (or Lender granting a participation as applicable) on or about the date on which Lender becomes a lender (or such Participant is granted a participation) under this Agreement (and from time to time thereafter upon the reasonable request of the Borrowers or Lender granting such participation), executed copies of Internal Revenue Service Form W-9 (or any successor form), certifying that Lender (or such Participant) is exempt from U.S. federal backup withholding tax;

(ii) Lender (or Participant) that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code (a "**Non-U.S. Recipient**") shall deliver to Borrowers (and Lender granting a participation in case the Non-U.S. Recipient is a Participant) on or prior to the date on which such Non-U.S. Recipient becomes a lender (or such Participant is granted a participation) under this Agreement (and from time to time thereafter upon the reasonable request of Borrowers or Lender granting such participation but only if such Non-U.S. Recipient is legally entitled to do so), whichever of the following is applicable: (A) executed copies of Internal Revenue Service Form W-8BEN (or any successor form) or Form W-8BEN-E (or any successor form) claiming eligibility for benefits of an income tax treaty to which the United States is a party; (B) executed copies of Internal Revenue Service Form W-8ECI (or any successor form); (C) to the extent a Non-U.S. Recipient is not the beneficial owner, executed copies of Internal Revenue Service Form W-8IMY (or any successor form) and all required supporting documentation; (D) each Non-U.S. Recipient claiming the benefits of the exemption for portfolio interest under section 881(c) of the Code, shall provide (x) a certificate to the effect that such Non-U.S. Recipient is not (I) a "bank" within the meaning of section 881(c)(3)(A) of the Code, (II) a "10 percent shareholder" of the Borrowers within the meaning of section 881(c)(3)(B) of the Code, or (III) a "controlled foreign corporation" described in section 881(c)(3)(C) of the Code and (y) executed copies of Internal Revenue Service Form W-8BEN (or any successor form) or Form W-8BEN-E (or any successor form); and/or (E) executed copies of any other form prescribed by applicable law (including FATCA) as a basis for claiming exemption from or a reduction in United States Federal withholding tax together with such supplementary documentation as may be prescribed by applicable law to permit Borrowers or Lender granting a participation, to determine the withholding or deduction required to be made;

(iii) If a payment made to Lender (or Participant) under any Loan Document would be subject to United States federal withholding Tax imposed by FATCA if Lender (or such Participant) 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), Lender (or such Participant) shall deliver to the Borrowers and Lender granting such participation at the time or times prescribed by law and at such time or times reasonably requested by the Borrowers or Lender granting such participation 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 Borrowers or Lender granting such participation as may be necessary for the Borrowers and Lender granting such participation to comply with their obligations

under FATCA and to determine that Lender or such Participant has complied with Lender's or such Participant's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this (iii), "FATCA" shall include any amendments made to FATCA after the date of this Agreement; and

(iv) If any form or certification previously delivered by Lender (or any Participant) expires or becomes obsolete or inaccurate in any respect, Lender (or any Participant) shall update such form or certification or promptly notify Borrowers (or Lender granting a participation) of its legal inability to do so.

(f) If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 9.1 (including by the payment of additional amounts pursuant to this Section 9.1), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this Section 9.1(f) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 9.1(f), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 9.1(f) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party 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 shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person. For purposes of this Section 9.1(f), all references to "refund" shall include the monetary benefit of a credit received in lieu of a refund of Taxes.

(g) Each party's obligations under this Section 9.1 shall survive any assignment of rights by Lender or any Participant and the repayment, satisfaction or discharge of all obligations under any Loan Document.

10. GENERAL PROVISIONS.

10.1 Notices.

(a) Notice by Approved Electronic Communications.

Lender and each of its Affiliates is authorized to transmit, post or otherwise make or communicate, in its sole discretion (but shall not be required to do so), by Approved Electronic Communications in connection with this Agreement or any other Loan Document and the transactions contemplated therein. Lender is hereby authorized to establish procedures to provide access to and to make available or deliver, or to accept, notices, documents and similar items by posting to ABLServe. Each of the Loan Parties and Lender hereby acknowledges and agrees that the use of ABLServe and other Approved Electronic Communications is not necessarily secure and that there are risks associated with such use, including risks of interception, disclosure and abuse and each indicates it assumes and accepts such risks by hereby authorizing Lender and each of its Affiliates to transmit Approved Electronic Communications. ABLServe and all Approved Electronic Communications shall be provided "as is" and "as available". None of Lender or any of its Affiliates or related persons warrants the accuracy, adequacy or completeness of ABLServe or any other electronic platform or electronic

transmission and disclaims all liability for errors or omissions therein. No warranty of any kind is made by Lender or any of its Affiliates or related persons in connection with ABLServe or any other electronic platform or electronic transmission, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects. Each Borrower and each other Loan Party executing this Agreement agrees that Lender has no responsibility for maintaining or providing any equipment, software, services or any testing required in connection with ABLServe, any Approved Electronic Communication or otherwise required for ABLServe or any Approved Electronic Communication.

Prior to the Closing Date, Borrowing Agent shall deliver to Lender a complete and executed Client User Form regarding Borrowing Agent's use of ABLServe in the form of Exhibit C annexed hereto.

No Approved Electronic Communications shall be denied legal effect merely because it is made electronically. Approved Electronic Communications that are not readily capable of bearing either a signature or a reproduction of a signature may be signed, and shall be deemed signed, by attaching to, or logically associating with such Approved Electronic Communication, an E-Signature, upon which Lender and the Loan Parties may rely and assume the authenticity thereof. Each Approved Electronic Communication containing a signature, a reproduction of a signature or an E-Signature shall, for all intents and purposes, have the same effect and weight as a signed paper original. Each E-Signature shall be deemed sufficient to satisfy any requirement for a "signature" and each Approved Electronic Communication shall be deemed sufficient to satisfy any requirement for a "writing", in each case including pursuant to this Agreement, any other Loan Document, the Uniform Commercial Code, the Federal Uniform Electronic Transactions Act, the Electronic Signatures in Global and National Commerce Act and any substantive or procedural law governing such subject matter. Each party or beneficiary hereto agrees not to contest the validity or enforceability of an Approved Electronic Communication or E-Signature under the provisions of any applicable law requiring certain documents to be in writing or signed; *provided*, that nothing herein shall limit such party's or beneficiary's right to contest whether an Approved Electronic Communication or E-Signature has been altered after transmission.

(b) All Other Notices.

All notices, requests, demands and other communications under or in respect of this Agreement or any transactions hereunder, other than those approved for or required to be delivered by Approved Electronic Communications (including via ABLServe or otherwise pursuant to Section 10.1(a)), shall be in writing and shall be personally delivered or mailed (by prepaid registered or certified mail, return receipt requested), sent by prepaid recognized overnight courier service, or by email to the applicable party at its address or email address indicated below,

If to Lender:

Siena Lending Group LLC
9 W Broad Street, 5th floor, Suite 540
Stamford, Connecticut 06902
Attention: Steve Sanicola
Email: ssanicola@sienalending.com

with a copy to:

Blank Rome LLP
1271 Avenue of the Americas New York, NY 10020
Attention: Lawrence F. Flick II, Esq.
Email: flick@blankrome.com

If to Borrowers or any other Loan Party:

c/o Salem Media Group, Inc.
4880 Santa Rosa Road
Camarillo, CA 93012
Attn: Evan Masyr, CFO and Christopher J. Henderson, General Counsel
Email: evan@salemmedia.com and chrish@salemmedia.com

with a copy to:

Orrick, Herrington & Sutcliffe LLP
344 S. Grand Ave., Ste. 2700
Los Angeles, CA 90071
Attention: Jeffery Hermann
Email: jhermann@orrick.com

or, as to each party, at such other address as shall be designated by such party in a written notice to the other party delivered as aforesaid. All such notices, requests, demands and other communications shall be deemed given (i) when personally delivered, (ii) three (3) Business Days after being deposited in the mails with postage prepaid (by registered or certified mail, return receipt requested), (iii) one (1) Business Day after being delivered to the overnight courier service, if prepaid and sent overnight delivery, addressed as aforesaid and with all charges prepaid or billed to the account of the sender, or (iv) when sent by email transmission to an email address designated by such addressee and the sender receives a confirmation of transmission.

10.2 Severability. If any provision of this Agreement or any other Loan Document is held invalid or unenforceable, either in its entirety or by virtue of its scope or application to given circumstances, such provision shall thereupon be deemed modified only to the extent necessary to render same valid, or not applicable to given circumstances, or excised from this Agreement or such other Loan Document, as the situation may require, and this Agreement and the other Loan Documents shall be construed and enforced as if such provision had been included herein as so modified in scope or application, or had not been included herein or therein, as the case may be.

10.3 Integration. This Agreement and the other Loan Documents represent the final, entire and complete agreement between each Loan Party party hereto and thereto and Lender and supersede all prior and contemporaneous negotiations, oral representations and agreements, all of which are merged and integrated into this Agreement. THERE ARE NO ORAL UNDERSTANDINGS, REPRESENTATIONS OR AGREEMENTS BETWEEN THE PARTIES THAT ARE NOT SET FORTH IN THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS.

10.4 Waivers. The failure of Lender at any time or times to require any Loan Party to strictly comply with any of the provisions of this Agreement or any other Loan Documents shall not waive or diminish any right of Lender later to demand and receive strict compliance therewith. Any waiver of any default shall not waive or affect any other default, whether prior or subsequent, and whether or not similar. None of the provisions of this Agreement or any other Loan Document shall be deemed to have been waived by any act or knowledge of Lender or its agents or employees, but only by a specific written waiver signed by an authorized officer of Lender and delivered to Borrowers. Once an Event of Default shall have occurred, it shall be deemed to continue to exist and not be cured or waived unless specifically cured

pursuant to the terms of this Agreement or waived in writing by an authorized officer of Lender and delivered to Borrowers. Each Loan Party waives demand, protest, notice of protest and notice of default or dishonor, notice of payment and nonpayment, release, compromise, settlement, extension or renewal of any commercial paper, Instrument, Account, General Intangible, Document, Chattel Paper, Investment Property or guaranty at any time held by Lender on which such Loan Party is or may in any way be liable, and notice of any action taken by Lender, unless expressly required by this Agreement, and notice of acceptance hereof.

10.5 Amendment. This Agreement may not be amended or modified except in a writing executed by Borrowers, the other Loan Parties party hereto (to the extent such amendment is directly adverse to such Loan Party), and Lender.

10.6 Time of Essence. Time is of the essence in the performance by each Loan Party of each and every obligation under this Agreement and the other Loan Documents.

10.7 Expenses, Fee and Costs Reimbursement. Borrowers hereby agree to promptly and jointly and severally pay (a) all fees, costs and expenses of Lender, (b) all out of pocket fees, costs and expenses of legal counsel to, and appraisers, accountants, consultants and other professionals and advisors retained by or on behalf of, Lender, all of which shall be reasonable, prior to the occurrence and continuance of an Event of Default, in connection with: (i) all loan proposals and commitments pertaining to the transactions contemplated hereby (whether or not such transactions are consummated), (ii) the examination, review, due diligence investigation, documentation, negotiation, and closing of the transactions contemplated by the Loan Documents (whether or not such transactions are consummated), (iii) the creation, perfection and maintenance of Liens pursuant to the Loan Documents, (iv) the performance by Lender of its rights and remedies under the Loan Documents, (v) the administration of the Loans (including usual and customary fees for wire transfers and other transfers or payments received by Lender on account of any of the Obligations) and Loan Documents, (vi) any amendments, modifications, consents and waivers to and/or under any and all Loan Documents (whether or not such amendments, modifications, consents or waivers are consummated), (vii) any periodic public record searches conducted by or at the reasonable request of Lender (including, title investigations and public records searches), pending litigation and tax lien searches and searches of applicable corporate, limited liability company, partnership and related records concerning the continued existence, organization and good standing of certain Persons), (viii) protecting, storing, insuring, handling, maintaining, auditing, examining, valuing or selling any Collateral, (ix) any litigation, dispute, suit or proceeding relating to any Loan Document, and (x) any workout, collection, bankruptcy, insolvency and other enforcement proceedings under any and all of the Loan Documents (it being agreed that such costs and expenses may include the costs and expenses of workout consultants, investment bankers, financial consultants, appraisers, valuation firms and other professionals and advisors retained by or on behalf of Lender), and (c) without limitation of the preceding clauses (a) and (b), all out of pocket costs and expenses of Lender in connection with Lender's reservation of funds in anticipation of the funding of the initial Loans to be made hereunder. Any fees, costs and expenses owing by Borrowers or any other Loan Party hereunder shall be due and payable within three (3) days after written demand therefor.

10.8 Benefit of Agreement; Assignability. The provisions of this Agreement shall be binding upon and inure to the benefit of the respective successors, assigns, heirs, beneficiaries and representatives of Borrowers, each other Loan Party party hereto and Lender; *provided*, that neither any Borrower nor any other Loan Party may assign or transfer any of its rights under this Agreement without the prior written consent of Lender, and any prohibited assignment shall be void. No consent by Lender to any assignment shall release any Loan Party from its liability for any of the Obligations. Lender shall have the right to assign all or any of its rights and obligations under the Loan Documents to one or more other Persons, and each Loan Party agrees, to the extent applicable, to execute any agreements, instruments and documents requested by Lender in connection with any such assignments; *provided* that the consent of Borrowing

Agent shall be required (such consent not to be unreasonably withheld or delayed) for any such assignment unless (a) an Event of Default has occurred and is continuing or (b) such assignment is to an Affiliate of Lender; *provided, further*, the consent of Borrowing Agent shall be deemed to have been given unless an objection is delivered to Lender within five (5) Business Days after notice of a proposed assignment or transfer is delivered to Borrowers. Notwithstanding any provision of this Agreement or any other Loan Document to the contrary, Lender may at any time pledge or grant a security interest in all or any portion of its rights under this Agreement and the other Loan Documents to secure obligations of Lender, including any pledge or grant to secure obligations to a Federal Reserve Bank.

10.9 Recordation of Assignment. In respect of any assignment of all or any portion of Lender's interest in this Agreement and/or any other Loan Documents at any time and from time to time, the following provisions shall be applicable:

(a) Borrowers, or any agent appointed by Borrowers, shall maintain a register (the "**Register**") in which there shall be recorded the name and address of each Person holding any Loans or any commitment to lend hereunder, and the principal amount and stated interest payable to such Person hereunder or committed by such Person under such Person's lending commitment. Borrowers hereby irrevocably appoint Lender (and/or any subsequent Lender appointed by Lender then maintaining the Register) as Borrowers' non-fiduciary agent for the purpose of maintaining the Register.

(b) In connection with any negotiation, transfer or assignment as aforesaid, the transferor/assignor shall deliver to Lender then maintaining the Register an assignment and assumption agreement executed by the transferor/assignor and the transferee/assignee, setting forth the specifics of the subject transaction, including but not limited to the amount and nature of Obligations and/or lending commitments being transferred or assigned (and being assumed, as applicable), and the proposed effective date of such transfer or assignment and the related assumption (if applicable).

(c) Subject to receipt of any required tax forms reasonably required by Lender, such Person shall record the subject transfer, assignment and assumption in the Register. The entries in the Register shall be conclusive and binding for all purposes, absent manifest error; and each Borrower and each Lender shall treat each Person whose name is recorded in the Register as a Lender hereunder for all purposes of this Agreement and the other Loan Documents. The Register shall be available for inspection by each Borrower and each Lender at any reasonable time and from time to time upon reasonable prior notice.

10.10 Participations. Anything in this Agreement or any other Loan Document to the contrary notwithstanding, Lender may, at any time and from time to time, without in any manner affecting or impairing the validity of any Obligations, sell to one or more Persons participating interests in its Loans, commitments and/or other interests hereunder and/or under any other Loan Document (any such Person, a "**Participant**"). In the event of a sale by Lender of a participating interest to a Participant, (a) such Lender's obligations hereunder and under the other Loan Documents shall remain unchanged for all purposes, (b) Borrowers and Lender shall continue to deal solely and directly with each other in connection with Lender's rights and obligations hereunder and under the other Loan Documents and (c) all amounts payable by Borrowers shall be determined as if Lender had not sold such participation and shall be paid directly to Lender; *provided, however*, a Participant shall be entitled to the benefits of Section 9.1 as if it were a Lender if Borrowers are notified of the participation and the Participant complies with Section 9.1(e). Borrowers agree that if amounts outstanding under this Agreement or any other Loan Document are due and payable (as a result of acceleration or otherwise), each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this Agreement and the other Loan Documents to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement; *provided*, that such right of set-off shall not be exercised without the prior written consent of Lender and shall be subject to the obligation of each Participant to share with Lender its share thereof.

Borrowers also agree that each Participant shall be entitled to the benefits of Section 10.9 as if it were Lender. Notwithstanding the granting of any such participating interests: (x) Borrowers shall look solely to Lender for all purposes of this Agreement, the Loan Documents and the transactions contemplated hereby, (y) Borrowers shall at all times have the right to rely upon any amendments, waivers or consents signed by Lender as being binding upon all of the Participants, and (z) all communications in respect of this Agreement and such transactions shall remain solely between Borrowers and Lender (exclusive of Participants) hereunder. Lender granting a participation hereunder shall maintain, as a non-fiduciary agent of Borrowers, a register as to the participations granted and transferred under this Section containing the same information specified in Section 10.9 on the Register as if each Participant were a Lender to the extent required to cause the Loans to be in registered form for the purposes of Sections 163(f), 165(j), 871, 881, and 4701 of the Code.

10.11 Headings; Construction. Section and subsection headings are used in this Agreement only for convenience and do not affect the meanings of the provisions that they precede.

10.12 USA PATRIOT Act Notification. Lender hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act, it may be required to obtain, verify and record certain information and documentation that identifies such Person, which information may include the name and address of each such Person and such other information that will allow Lender to identify such Persons in accordance with the USA PATRIOT Act.

10.13 Counterparts; Email Signatures. This Agreement may be executed in any number of counterparts, all of which shall constitute one and the same agreement. This Agreement may be executed by signatures delivered by electronic mail, each of which shall be fully binding on the signing party.

10.14 GOVERNING LAW. THIS AGREEMENT, ALONG WITH ALL OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED OTHERWISE IN SUCH OTHER LOAN DOCUMENT) SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED THEREIN WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW). FURTHER, THE LAW OF THE STATE OF NEW YORK SHALL APPLY TO ALL DISPUTES OR CONTROVERSIES ARISING OUT OF OR CONNECTED TO OR WITH THIS AGREEMENT AND ALL SUCH OTHER LOAN DOCUMENTS WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES (EXCEPT SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION LAW).

10.15 WAIVERS AND JURISDICTION.

(a) **CONSENT TO JURISDICTION; WAIVER OF JURY TRIAL; CONSENT TO SERVICE OF PROCESS.** ANY LEGAL ACTION, SUIT OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT SHALL BE BROUGHT EXCLUSIVELY IN THE COURTS OF THE STATE OF NEW YORK IN THE COUNTY OF NEW YORK OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR IN ANY OTHER COURT (IN ANY JURISDICTION) SELECTED BY THE LENDER IN ITS SOLE DISCRETION, AND EACH BORROWER AND EACH OTHER LOAN PARTY HEREBY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFOREMENTIONED COURTS. EACH BORROWER AND EACH OTHER LOAN PARTY HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION, INCLUDING, WITHOUT LIMITATION, ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, OR BASED UPON 28 U.S.C. § 1404, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING AND ADJUDICATION OF ANY SUCH ACTION, SUIT OR

PROCEEDING IN ANY OF THE AFOREMENTIONED COURTS AND AMENDMENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY THE COURT. EACH BORROWER AND EACH OTHER LOAN PARTY HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM CONCERNING ANY RIGHTS UNDER THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR UNDER ANY AMENDMENT, WAIVER, AMENDMENT, INSTRUMENT, DOCUMENT OR OTHER AGREEMENT DELIVERED OR WHICH IN THE FUTURE MAY BE DELIVERED IN CONNECTION HERewith OR THEREWITH, OR ARISING FROM ANY FINANCING RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, AND AGREES THAT ANY SUCH ACTION, PROCEEDING OR COUNTERCLAIM SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH BORROWER AND EACH OTHER LOAN PARTY HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON ANY BORROWER OR ANY OTHER LOAN PARTY AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY CERTIFIED MAIL (RETURN RECEIPT REQUESTED) DIRECTED TO THE BORROWERS' NOTICE ADDRESS (ON BEHALF OF THE BORROWERS OR SUCH LOAN PARTY) SET FORTH IN SECTION 10.1 HEREOF AND SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO DEPOSITED IN THE MAIL, OR, AT THE LENDER'S OPTION, BY SERVICE UPON BORROWERS OR ANY OTHER LOAN PARTY IN ANY OTHER MANNER PROVIDED UNDER THE RULES OF ANY SUCH COURTS.

(b) Dispute Resolution if Jury Waiver Not Enforceable.

(i) The parties have agreed, as set forth in Section 10.14 above, that the internal laws of the State of New York shall apply to this Agreement, the other Loan Documents and the rights and obligations of the parties hereunder and thereunder, and the parties have agreed and strongly prefer that any dispute between them be resolved in litigation subject to the jury trial waiver set forth in Section 10.15 above. However, if, for any reason, a court of competent jurisdiction determines that California law is applicable to said jury trial waiver and that said jury trial waiver is unenforceable, invalid, ineffective or otherwise not applicable to any dispute between the parties (a "Dispute"), then (and only then) the parties agree that the following provisions shall apply to such Dispute: Such Dispute shall be resolved exclusively by judicial reference in accordance with Sections 638 et seq. of the California Code of Civil Procedure ("CCP") and Rules 3.900 et seq. of the California Rules of Court ("CRC"), subject to the following terms and conditions. (All references in this section to provisions of the CCP and/or CRC shall be deemed to include any and all successor provisions.)

(ii) The reference shall be a consensual general reference pursuant to CCP Sections 638 and 644(a). Unless the parties otherwise agree in writing, the reference shall be to a single referee. The referee shall be a retired Judge of the Los Angeles County Superior Court ("Superior Court") or a retired Justice of the California Court of Appeal or California Supreme Court. Nothing in this section shall be construed to limit the right of Lender, pending or after the appointment of the referee, to seek and obtain provisional relief from the Superior Court or such referee, or any other court in a jurisdiction in which any Collateral is located or having jurisdiction over any Collateral, including without limitation, writ of attachment, writ of possession, appointment of a receiver, temporary restraining order and/or preliminary injunction, or other "provisional remedy" (as such term is defined in CCP Section 1281.8).

(iii) Within fifteen (15) days after a party gives written notice in accordance with this Agreement to all other parties to a Dispute that the Dispute exists and these provisions are applicable to the Dispute, all parties to the Dispute shall attempt to agree on the individual to be appointed as referee. If the parties are unable to agree on the individual to be appointed as referee, the referee shall be appointed, upon noticed motion or ex parte application by any party, by the Superior Court in accordance with CCP Section 640, subject to all rights of the parties to challenge or object to the appointment, including without

limitation the right to peremptory challenge under CCP Section 170.6. If the referee (or any successor referee) appointed by the Superior Court is unable, or at any time becomes unable, to serve as referee in the Dispute, the Superior Court shall appoint a new referee as agreed to by the parties or, if the parties cannot agree, in accordance with CCP Section 640, which new referee shall then have the same powers, and be subject to the same terms and conditions, as the predecessor referee.

(iv) Venue for all proceedings before the referee, and for any Superior Court proceeding for the appointment of the referee, shall be exclusively within the County of Los Angeles, State of California. The referee shall have the exclusive power to determine whether a Dispute is subject to judicial reference pursuant to this section. Trial, and all proceedings and hearings on dispositive motions, conducted before the referee shall be conducted in the presence of, and shall be transcribed by, a court reporter, unless otherwise agreed in writing by all parties to the proceeding. The referee shall issue a written statement of decision, which shall be subject to objections of the parties pursuant to CRC Rule 3.1590 as if the statement of decision were issued by the Superior Court. The referee's powers include, in addition to those set forth in CCP Sections 638, et seq., and CRC Rules 3.900 et seq., (i) the power to grant provisional relief, including without limitation, writ of attachment, writ of possession, appointment of a receiver, temporary restraining order and/or preliminary injunction, or other "provisional remedy" (as such term is defined in CCP Section 1281.8), and (ii) the power to hear and resolve all post-trial matters in connection with the Dispute that would otherwise be determined by the Superior Court, including without limitation motions for new trial, reconsideration, to vacate judgment, to stay execution or enforcement, to tax costs, and/or for attorneys' fees. The parties shall, subject to the referee's power to award costs to the prevailing party, bear equally the costs of the reference proceeding, including without limitation the fees and costs of the referee and the court reporter.

The parties acknowledge and agree that (i) the referee alone shall determine all issues of fact and/or law in the Dispute, without a jury (subject, however, to the right of a party, pending or after the appointment of the referee, to seek and obtain provisional relief from the Superior Court or such referee, including without limitation, writ of attachment, writ of possession, appointment of a receiver, temporary restraining order and/or preliminary injunction, or other "provisional remedy" (as such term is defined in CCP Section 1281.8)), (ii) the referee does not have the power to empanel a jury, (iii) the Superior Court shall enter judgment on the decision of the referee pursuant to CCP Section 644(a) as if the decision were issued by the Superior Court, (iv) the decision of the referee shall not be subject to review by the Superior Court, and (v) the decision of the referee, once entered as a judgment by the Superior Court, shall be binding, final and conclusive, shall have the full force and effect of a judgment of the Superior Court, and shall be subject to appeal to the same extent as a judgment of the Superior Court.

10.16 Publication. Each Borrower and each other Loan Party consents to the publication by Lender of a tombstone, press releases or similar advertising material relating to the financing transactions contemplated by this Agreement, and Lender reserves the right to provide to industry trade organizations information necessary and customary for inclusion in league table measurements.

10.17 Confidentiality. Lender agrees not to disclose Confidential Information to any Person without the prior consent of Borrowers; provided, however, that nothing herein contained shall limit any disclosure of the tax structure of the transactions contemplated hereby, or the disclosure of any information (a) to the extent required by applicable law, statute, rule, regulation or judicial process or in connection with the exercise of any right or remedy under any Loan Document, or as may be required in connection with the examination, audit or similar investigation of the Lender or any of its Affiliates, (b) to examiners, auditors, accountants or any regulatory authority so long as such authorities are informed of the confidential nature of such information, (c) to the officers, partners, managers, directors, employees, agents and advisors (including independent auditors, lawyers and counsel) of the Lender or any of its Affiliates on a confidential and "need to know" basis, (d) in connection with any litigation or dispute which relates to this Agreement or any other Loan Document to which the Lender is a party or is otherwise subject, (e) to a subsidiary or

Affiliate of the Lender, provided that any such Subsidiary or Affiliate shall have agreed to receive such information hereunder subject to the terms of this Section 10.17, (f) to any assignee or participant (or prospective assignee or participant) which agrees to be bound by this Section 10.17 and (g) to any lender or other funding source of the Lender which agrees to be bound by this Section 10.17 (each reference to Lender in the foregoing clauses shall be deemed to include the actual and prospective assignees and participants referred to in clause (f) and the lenders and other funding sources referred to in clause (g), as applicable for purposes of this Section 10.17), and provided further, that in no event shall the Lender be obligated or required to return any materials furnished by or on behalf of Borrowers or any other Loan Party. The obligations of the Lender under this Section 10.17 shall supersede and replace the obligations of the Lender under any confidentiality letter or provision in respect of this financing or any other financing previously signed and delivered by the Lender to Borrowers or any of their respective Affiliates.

10.18 Borrowing Agency Provisions.

(a) Appointment of Borrowing Agent. Each Borrower hereby irrevocably designates Borrowing Agent to be its attorney and agent and in such capacity to (i) borrow, (ii) request advances, (iii) request the issuance of Letters of Credit, (iv) sign and endorse notes, (v) execute and deliver all instruments, documents, applications, security agreements, reimbursement agreements and letter of credit agreements for Letters of Credit and all other certificates, notice, writings and further assurances now or hereafter required hereunder, (vi) make elections regarding interest rates, (vii) give instructions regarding Letters of Credit and agree with the issuer thereof upon any amendment, extension or renewal of any Letter of Credit and (viii) otherwise take action under and in connection with this Agreement and the other Loan Documents, all on behalf of and in the name of such Borrower, and hereby authorizes Lender to pay over or credit all Loan proceeds hereunder in accordance with the request of Borrowing Agent.

(b) Co-Borrowing. The handling of this credit facility as a co-borrowing facility with a borrowing agent in the manner set forth in this Agreement is solely as an accommodation to the Borrowers and at their request. Lender shall not incur liability to any Borrower as a result thereof. To induce Lender to do so and in consideration thereof, each Borrower hereby indemnifies Lender and holds Lender harmless from and against any and all liabilities, expenses, losses, damages and claims of damage or injury asserted against Lender by any Person arising from or incurred by reason of the handling of the financing arrangements of Borrowers as provided herein, reliance by Lender on any request or instruction from Borrowing Agent or any other action taken by Lender with respect to this Section 10.18 except due to willful misconduct or gross (not mere) negligence by the indemnified party (as determined by a court of competent jurisdiction in a final and non-appealable judgment).

(c) Joint and Several Obligations. All Obligations shall be joint and several, and each Borrower shall make payment upon the maturity of the Obligations by acceleration or otherwise, and such obligation and liability on the part of each Borrower shall in no way be affected by any extensions, renewals and forbearance granted by Lender to any Borrower, failure of Lender to give any Borrower notice of borrowing or any other notice, any failure of Lender to pursue or preserve its rights against any Borrower, the release by Lender of any Collateral now or thereafter acquired from any Borrower, and such agreement by each Borrower to pay upon any notice issued pursuant thereto is unconditional and unaffected by prior recourse by Lender to the other Borrowers or any Collateral for such Borrower's Obligations or the lack thereof. Each Borrower waives all suretyship defenses.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, Borrowers, each other Loan Party signatory hereto, and Lender have signed this Agreement as of the date first set forth above.

Lender:

SIENA LENDING GROUP LLC

By: /s/ Gill Elmore
Name: Gill Elmore
Its: Authorized Signatory

By: /s/ Jason Schick
Name: Jason Schick
Its: Authorized Signatory

Signature Page to Loan and Security Agreement

**PARENT AND A
BORROWER:**

SALEM MEDIA GROUP, INC., a Delaware corporation

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Executive Vice President and Chief Financial Officer

BORROWERS:

**AIR HOT, INC.
BISON MEDIA, INC.
INSPIRATION MEDIA, INC.
NEW INSPIRATION BROADCASTING COMPANY, INC.
NI ACQUISITION CORP.
REACH SATELLITE NETWORK, INC.
SALEM CONSUMER PRODUCTS, INC.
SALEM COMMUNICATIONS HOLDING CORPORATION
SALEM MEDIA OF COLORADO, INC.
SALEM MEDIA OF HAWAII, INC.
SALEM MEDIA OF OHIO, INC.
SALEM MEDIA OF OREGON, INC.
SALEM MEDIA OF TEXAS, INC.
SALEM MEDIA REPRESENTATIVES, INC.
SALEM RADIO NETWORK INCORPORATED
SALEM RADIO PROPERTIES, INC.
SCA LICENSE CORPORATION
SRN NEWS NETWORK, INC.
SRN STORE, INC.
SALEM NEWS, INC.
SALEM MANAGEMENT SERVICES, INC.**

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Executive Vice President and Chief Financial Officer

**INSPIRATION MEDIA OF TEXAS, LLC
BY: SCA LICENSE CORPORATION,
its Managing Member**

**SALEM MEDIA OF ILLINOIS, LLC
BY: SCA LICENSE CORPORATION,
its Managing Member**

**SALEM MEDIA OF MASSACHUSETTS, LLC
BY: SCA LICENSE CORPORATION,
its Managing Member**

**SALEM MEDIA OF NEW YORK, LLC
BY: SCA LICENSE CORPORATION,
its Managing Member**

**SALEM RADIO OPERATIONS, LLC
BY: SCA LICENSE CORPORATION,
its Managing Member**

**SALEM SATELLITE MEDIA, LLC
BY: SCA LICENSE CORPORATION,
its Managing Member**

**SALEM WEB NETWORK, LLC
BY: SCA LICENSE CORPORATION,
its Managing Member**

**SCA-PALO ALTO, LLC
BY: SCA LICENSE CORPORATION,
its Managing Member**

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Executive Vice President and Chief Financial Officer

**EAGLE PRODUCTS, LLC
BY: SALEM COMMUNICATIONS HOLDING
CORPORATION,
its Managing Member**

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Executive Vice President and Chief Financial Officer

HISPANOS COMMUNICATIONS, LLC
BY: SALEM MEDIA GROUP, INC.,
its Managing Member

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Executive Vice President and Chief Financial Officer

NEWS AGGREGATOR LLC
BY: SALEM COMMUNICATIONS HOLDING CORPORATION,
its Sole Member

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Executive Vice President and Chief Financial Officer

Signature Page to Loan and Security Agreement

Information Certificate

[See attached]

[Information Certificate]

Schedule A
Description of Certain Terms

1. Loan Limits for Revolving Loans and Letters of Credit:
- (a) Maximum Revolving Facility Amount: \$26,000,000
 - (b) Advance Rates:
 - (i) Billed Accounts Advance Rate: 90%; *provided*, that if Dilution exceeds 5%, Lender may, at its option (A) reduce such advance rate by the number of full or partial percentage points comprising such excess or (B) establish a Reserve on account of such excess (the "*Dilution Reserve*").
 - (ii) Unbilled Accounts Advance Rate: 90%; *provided*, that if Dilution exceeds 5%, Lender may, at its option (A) reduce such advance rate by the number of full or partial percentage points comprising such excess or (B) establish a Dilution Reserve.
 - (iii) Real Estate Advance Rate: 60%
 - (c) Sublimit on advances against Eligible Unbilled Accounts: \$5,000,000
 - (d) Sublimit on advances against Eligible Real Estate: \$8,000,000; provided, that such amount shall be permanently reduced each fiscal quarter by \$285,714.29, commencing on April 1, 2024, and on the first day of each fiscal quarter ending thereafter.
 - (e) Letter of Credit Limit: \$1,000,000
 - (f) Availability Block:
 - (I) during the period commencing on the Closing Date and continuing until the earlier of (A) the date the Umpqua Blanket Lien is subject to a subordination agreement, in form and substance satisfactory to Lender or (B) the date the Umpqua Blanket Lien is terminated and discharged, \$3,000,000, and
 - (II) thereafter, (A) at any time an Availability Block Period is in effect, \$2,000,000, and (B) at any time an Availability Block Period is not in effect, \$0.
2. [Reserved]

-
3. Interest Rate for Revolving Loans: (I) for Term SOFR Loans, 4.50% *plus* Term SOFR
(II) otherwise if the Base Rate is in effect pursuant to Section 2.1, 3.50% *plus* the Base Rate
- Interest Rate for Letters of Credit: 4.50%
4. Maximum Days re Eligible Accounts:
- (a) Maximum days after original *invoice date* for Eligible Billed Accounts: One hundred twenty (120) days
 - (b) Maximum days after original *invoice due date* for Eligible Billed Accounts: Ninety (90) days
 - (c) Maximum days after *services rendered* for Eligible Unbilled Accounts: Thirty (30) days
5. Lender's Bank: Wells Fargo Bank, National Association and its affiliates
Siena Lending Group Depository Account
Wells Fargo Bank NA
Account # 4986311751
ABA Routing # 121 000 248
Reference: Salem Media Group, Inc.
(which bank may be changed from time to time by notice from Lender to Borrowers)
6. Scheduled Maturity Date: December 26, 2026

Schedule B

Definitions

Unless otherwise defined herein, the following terms are used herein as defined in the UCC: Accounts, Account Debtor, Certificated Security, Chattel Paper, Commercial Tort Claims, Deposit Accounts, Documents, Electronic Chattel Paper, Equipment, Farm Products, Fixtures, General Intangibles, Goods, Health-Care-Insurance Receivables, Instruments, Inventory, Letter-of-Credit Rights, Proceeds, Supporting Obligations and Tangible Chattel Paper.

As used in this Agreement, the following terms have the following meanings:

“**ABL Priority Collateral**” means the “Revolving Priority Collateral” as defined in the Intercreditor Agreement.

“**ABLServe**” means the electronic and/or internet-based system approved by Lender for the purpose of making notices, requests, deliveries, communications, and for the other purposes contemplated in this Agreement or otherwise approved by Lender, whether such system is owned, operated or hosted by Lender, any of its Affiliates or any other Person.

“**Affiliate**” means, with respect to any Person, any other Person in control of, controlled by, or under common control with the first Person, and any other Person who has a substantial interest, direct or indirect, in the first Person or any of its Affiliates, including, any officer or director of the first Person or any of its Affiliates; **provided, however**, that neither Lender nor any of its Affiliates shall be deemed an “Affiliate” of any Borrower for any purposes of this Agreement. For the purpose of this definition, a “substantial interest” shall mean the direct or indirect legal or beneficial ownership of more than ten (10%) percent of any class of equity or similar interest.

“**Agreement**” and “**this Agreement**” have the meanings set forth in the heading to this Agreement.

“**Approved Electronic Communication**” means each notice, demand, communication, information, document and other material transmitted, posted or otherwise made or communicated by e-mail, facsimile, ABLServe, or any other equivalent electronic service, whether owned, operated or hosted by Lender, any of its Affiliates or any other Person, that any party is obligated to, or otherwise chooses to, provide to Lender pursuant to this Agreement or any other Loan Document, including any financial statement, financial and other report, notice, request, certificate and other information or material; **provided** that Approved Electronic Communications shall not include any notice, demand, communication, information, document or other material that Lender specifically instructs a Person to deliver in physical form.

“**Authorized Officer**” means the chief executive officer, chief financial officer, treasurer or general counsel of any Borrower and each other Person designated from time to time by any of the foregoing officers of any Borrower in a notice to Lender, which designation shall continue in force and effect until terminated in a notice to Lender from any of the foregoing officers of any Borrower.

“**Availability Block EBITDA Monthly Amounts**” shall mean, the monthly amounts agreed upon by Lender and Borrowers in writing after the Closing Date based on good faith negotiations, which amounts represent Borrowers’ projected EBITDA for the applicable monthly periods.

“**Availability Block EBITDA Threshold**” shall mean, as of any month-end, the sum of the Availability Block EBITDA Monthly Amounts for the trailing three consecutive month period then ended.

“Availability Block Period” shall mean,

(a) initially, the period commencing on the Closing Date and continuing through the date that is the later of (i) the date the Compliance Certificate is delivered to Lender in respect of the month ending February 29, 2024 (the “February Compliance Certificate”) or (ii) the date upon which the Availability Block EBITDA Monthly Amounts have been mutually agreed to by Lender and Borrowers in writing, and

(b) thereafter, upon the occurrence of an Availability Block Triggering Event and ending on the date that is the later of (i) the date of an Availability Block Satisfaction Event or (ii) 90 days after the applicable Availability Block Triggering Event (unless such Availability Block Triggering Event occurs in connection with the February Compliance Certificate, in which case, 30 days after such Availability Block Triggering Event).

“Availability Block Satisfaction Event” shall mean the date on which Lender receives the applicable Compliance Certificates demonstrating that Borrowers’ EBITDA measured as of such applicable month-end (and calculated on a trailing 3-month basis) is greater than the Availability Block EBITDA Threshold corresponding to such month-end.

“Availability Block Triggering Event” shall mean the date on which Lender receives the applicable Compliance Certificates demonstrating that Borrowers’ EBITDA measured as of such applicable month-end (and calculated on a trailing 3-month basis) is less than the Availability Block EBITDA Threshold corresponding to such month-end.

“Average Excess Availability” means, for any date of determination, the quotient obtained by dividing (a) the sum of Excess Availability for each day during the thirty (30) day period ending on the day immediately preceding such date of determination by (b) thirty (30), which calculation shall be made by the Lender in its Permitted Discretion.

“Bankruptcy Code” means the United States Bankruptcy Code (11 U.S.C. § 101 et seq.).

“Base Rate” means, for any day, the greatest of (a) the per annum rate of interest which is identified as the “Prime Rate” and normally published in the Money Rates section of The Wall Street Journal (or, if such rate ceases to be so published, as quoted from such other generally available and recognizable source as Lender may select) (the **“Published Prime Rate”**) (and, if any such published rate is below zero, then the rate determined pursuant to this clause (a) shall be deemed to be zero), (b) the sum of the Federal Funds Rate plus 0.5% and (c) 8.50% per annum. Any change in the Base Rate due to a change in such Published Prime Rate or the Federal Funds Rate shall be effective on the effective date of such change in such Published Prime Rate or the Federal Funds Rate.

“Billed Accounts Advance Rate” means the percentage set forth in Section 1(b)(i) of Schedule A.

“Blocked Account” has the meaning set forth in Section 4.1.

“Board of Directors” means, as to any Person, the board of directors (or comparable managers) of such Person, or any committee thereof duly authorized to act on behalf of the board of directors (or comparable managers).

“Borrowers” has the meaning set forth in the Preamble to this Agreement.

“**Borrowing Agent**” means Salem Media Group, Inc. acting for itself in its capacity as a Borrower or in its capacity as agent for all of the Borrowers (including itself).

“**Borrowing Base**” means, as of any date of determination, the Dollar Equivalent amount as of such date of determination of (a) the aggregate amount of Eligible Billed Accounts multiplied by the Billed Accounts Advance Rate; **plus** (b) the aggregate amount of Eligible Unbilled Accounts multiplied by the Unbilled Accounts Advance Rate (but in no event to exceed the Unbilled Accounts Sublimit); **plus** (c) the Value of Eligible Real Estate multiplied by the Real Estate Advance Rate (but in no event to exceed the Real Estate Sublimit); **minus** (d) all Reserves which Lender has established pursuant to Section 1.2; **minus** (e) the Availability Block, if any, set forth in Section 1(f) of Schedule A.

“**Broadcast Licenses**” means all FCC Licenses granted, assigned or issued to any Loan Party or its Subsidiaries to construct, own or operate the Stations, together with all extensions, additions and renewals thereto and thereof.

“**Business Day**” means (i) a day other than a Saturday or Sunday or any other day on which Lender or banks in New York are authorized to close, and (ii) with respect to any matters relating to Term SOFR Loans, a SOFR Business Day.

“**Capitalized Lease**” means any lease which is or should be capitalized on the balance sheet of the lessee thereunder in accordance with GAAP.

“**Cash Management Services**” means any cash management or related services including treasury, depository, return items, overdraft, controlled disbursement, merchant store value cards, 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 customary cash management arrangements.

“**Closing Date**” means December 26, 2023.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Collateral**” means all property and interests in property in or upon which a security interest, mortgage, pledge or other Lien is granted pursuant to this Agreement or the other Loan Documents, including all of the property of each Loan Party described in Section 3.1.

“**Collateral Pledge Agreements**” means, collectively, (a) the Collateral Pledge Agreement dated as of the Closing Date by Parent, as pledgor and Lender, as pledgee, (b) the Collateral Pledge Agreement dated as of the Closing Date by Salem Communications Holding Corporation, as pledgor and Lender, as pledgee, (c) the Collateral Pledge Agreement dated as of the Closing Date by SCA License Corporation, as pledgor and Lender, as pledgee, (d) the Collateral Pledge Agreement dated as of the Closing Date by Sale Radio Operations, LLC, as pledgor and Lender, as pledgee and (e) any other pledge agreement made by a pledgor in favor of Lender from time to time after the Closing Date.

“**Collections**” has the meaning set forth in Section 4.1.

“**Communications Laws**” means the Communications Act of 1934, and any similar or successor federal statute, together with all published rules, regulations, policies, orders and decisions of the FCC promulgated thereunder.

“**Compliance Certificate**” means a compliance certificate substantially in the form of Exhibit F hereto to be signed by an Authorized Officer of Borrowing Agent.

“**Confidential Information**” means confidential information that any Loan Party furnishes to the Lender pursuant to any Loan Document concerning any Loan Party’s business, but does not include any such information once such information has become, or if such information is, generally available to the public or available to the Lender (or other applicable Person) from a source other than the Loan Parties which is not, to the Lender’s knowledge, bound by any confidentiality agreement in respect thereof.

“**Conforming Changes**” means any technical, administrative or operational changes (including, without limitation, changes to the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition, the timing and frequency of determining rates and making payments of interest, prepayment provisions and other technical, administrative or operational matters) that Lender decides may be appropriate to reflect the adoption and implementation of a benchmark replacement or to permit the use and administration of Term SOFR or a benchmark replacement by Lender in a manner substantially consistent with market practice.

“**Continuing Director**” means (a) any member of the Board of Directors who was a director (or comparable manager) of Parent on the Closing Date, and (b) any individual who becomes a member of the Board of Directors after the Closing Date if such individual was approved, appointed or nominated for election to the Board of Directors by either the Permitted Holders or a majority of the Continuing Directors.

“**Default**” means any event which with notice or passage of time, or both, would constitute an Event of Default.

“**Default Rate**” has the meaning set forth in Section 2.1.

“**Dilution**” means, as of any date of determination, a percentage, based upon the experience of the immediately prior twelve (12) months, that is the result of dividing the Dollar Equivalent amount of (a) bad debt write-downs, discounts, advertising allowances, credits, or other dilutive items with respect to Borrowers’ Accounts during such period, by (b) Borrowers’ billings with respect to Accounts during such period.

“**Dilution Reserve**” has the meaning set forth in Section 1(b)(i) of Schedule A.

“**Disqualified Equity Interests**” means any Equity Interests that, by their terms (or by the terms of any security or other Equity Interests into which they are convertible or for which they are exchangeable), or upon the happening of any event or condition (a) matures or are mandatorily redeemable (other than solely for Qualified Equity Interests), pursuant to a sinking fund obligation or otherwise (except as a result of a change of control or asset sale so long as any rights of the holders thereof upon the occurrence of a change of control or asset sale event shall be subject to the prior repayment in full of the Loans and all other Obligations that are accrued and payable and the termination of the commitments under this Agreement), (b) are redeemable at the option of the holder thereof (other than solely for Qualified Equity Interests), in whole or in part, (c) provide for the scheduled payments of dividends in cash, or (d) are or become convertible into or exchangeable for Indebtedness or any other Equity Interests that would constitute Disqualified Equity Interests, in each case, prior to the date that is 91 days after the Scheduled Maturity Date.

“**Dollar Equivalent**” means, at any time, (a) as to any amount denominated in Dollars, the amount hereof at such time, and (b) as to any amount denominated in a currency other than Dollars, the equivalent amount in Dollars as determined by Lender at such time that such amount could be converted into Dollars by Lender according to prevailing exchange rates selected by Lender.

“**Dollars**” or “**\$**” means United States Dollars, lawful currency for the payment of public and private debts.

“**E-Signature**” means the process of attaching to or logically associating with an Approved Electronic Communication an electronic symbol, encryption, digital signature or process (including the name or an abbreviation of the name of the party transmitting the Approved Electronic Communication) with the intent to sign, authenticate or accept such Approved Electronic Communication.

“**Earnout**” means any consideration (whether or not denominated an “earnout”) payable to the seller or sellers of any Person, business or division, the capital stock or other Equity Interest of which is, or all or substantially all of the property of which is, acquired by Parent, a Loan Party or any of their respective Subsidiaries, which consideration is contingent upon, or varies in amount based upon, the performance of the Person or of the property so acquired, as such performance is measured by one or more financial, business or other performance criteria and payable or finally determinable at any time after the consummation of the acquisition of the relevant Person, business, division or property. For purposes of calculating an Earnout, the amount of Indebtedness of any Person in respect of any Earnout in respect of which such Person is obligated shall be, as of any date of determination, equal to the greater of (x) the amount reasonably expected to be paid in respect of such Earnout, based on the relevant performance measures, as determined in the good faith judgment of the Board of Directors of such Person and (y) the amount of indebtedness which such Earnout would represent under GAAP.

“**EBITDA**” means, for the applicable period, for Parent and its Subsidiaries on a consolidated basis, the sum of (a) Net Income **plus** (b) Interest Expense deducted in the calculation of such Net Income, **plus** (c) federal, state, local and foreign income taxes, whether paid, payable or accrued, deducted in the calculation of such Net Income, **plus** (d) depreciation expense deducted in the calculation of such Net Income, **plus** (e) amortization expense deducted in the calculation of such Net Income, **plus** (f) all non-cash expenses reflected in Net Income (other than write-downs of assets), including non-cash stock compensation expense, **plus** (g) fees and expenses associated with this Agreement and the other Loan Documents and incurred prior to the Closing Date or within 90 days thereafter in an aggregate amount not to exceed \$1,100,000, **plus** (h) fees and expenses incurred in connection with any Permitted Acquisition or other investment, any permitted sale, lease, transfer or other disposition, or any Permitted Indebtedness or issuance of Equity Interests, in each case permitted by the terms of this Agreement (not to exceed an aggregate for all such events of \$500,000 in any fiscal year), **minus** (i) all income from the sale of real estate, equipment, discontinued operations, and extraordinary items (including, without limitation, income from debt forgiveness) reflected in Net Income.

“**Eligible Billed Account**” means, at any time of determination, an Account owned by a Borrower which satisfies the general criteria set forth below and which is otherwise acceptable to Lender in its Permitted Discretion (**provided**, that Lender may, in its Permitted Discretion, change the general criteria for acceptability of Eligible Billed Accounts (to address the results of any information with respect to Borrowers’ business or assets or the Accounts, in each case of which Lender becomes aware, including as a result of any appraisal or opinion of value performed by (or on behalf of) Lender from time to time) and shall notify Borrowers of such change promptly thereafter). An Account shall be deemed to meet the general criteria if:

(a) neither the Account Debtor nor any of its Affiliates is an Affiliate, creditor or supplier of the applicable Borrower (with Accounts to be ineligible to the extent of any amounts owed by such applicable Borrower to such Person as a creditor or supplier);

(b) it does not remain unpaid more than the earlier to occur of (i) the number of days after the original invoice date set forth in Section 4(a) of Schedule A or (ii) the number of days after the original invoice due date set forth in Section 4(b) of Schedule A;

(c) the Account Debtor or its Affiliates are not past due (or past any applicable dates referenced in clause (b) above) on other Accounts owing to the applicable Borrower comprising more than 25% of all of the Accounts owing to the applicable Borrower by such Account Debtor or its Affiliates;

(d) all Eligible Billed Accounts owing by the Account Debtor or its Affiliates do not represent more than 15% of all otherwise Eligible Billed Accounts (*provided*, that Accounts which are deemed to be ineligible solely by reason of this clause (d) shall be considered Eligible Billed Accounts to the extent of the amount thereof which does not exceed 15% of all otherwise Eligible Billed Accounts);

(e) the Account complies with each covenant, representation or warranty contained in this Agreement or any other Loan Document with respect to Eligible Billed Accounts (including any of the representations set forth in Section 5.4);

(f) the Account is not subject to any contra relationship, counterclaim, dispute or set-off; *provided*, that such Account shall be deemed to be ineligible only to the extent of such contra, counterclaim, dispute or set-off;

(g) the Account Debtor's chief executive office or principal place of business is located in the United States or Canada, unless (i) the sale is fully backed by a letter of credit, guaranty or acceptance acceptable to Lender in its Permitted Discretion, and if backed by a letter of credit, such letter of credit has been issued or confirmed by a bank satisfactory to Lender in its Permitted Discretion, is sufficient to cover such Account, and if required by Lender, the original of such letter of credit has been delivered to Lender or Lender's agent and the issuer thereof notified of the assignment of the proceeds of such letter of credit to Lender or (ii) such Account is subject to credit insurance payable to Lender issued by an insurer and on terms, conditions and in an amount acceptable to Lender in its Permitted Discretion;

(h) the Account is payable solely in Dollars;

(i) it is not an Unbilled Account and it is absolutely owing to a Borrower and does not arise from a sale on a bill-and-hold, guaranteed sale, sale-or-return, sale-on-approval, consignment, retainage or any other repurchase or return basis or consist of progress billings;

(j) Lender shall have verified the Account in a manner satisfactory to Lender;

(k) the Account Debtor is not the United States of America or any state or political subdivision (or any department, agency or instrumentality thereof), unless the applicable Borrower has complied with the Assignment of Claims Act of 1940 (31 U.S.C. §203 et seq.) or other applicable similar state or local law in a manner satisfactory to Lender;

(l) it is at all times subject to Lender's duly perfected, first priority security interest and to no other Lien that is not a Permitted Lien, and the goods giving rise to such Account (i) were not, at the time of sale, subject to any Lien except Permitted Liens and (ii) have been sold by the applicable Borrower to the Account Debtor in the ordinary course of the applicable Borrower's business and delivered to and accepted by the Account Debtor, or the services giving rise to such Account have been performed by the applicable Borrower and accepted by the Account Debtor in the ordinary course of the applicable Borrower's business;

(m) the Account is not evidenced by Chattel Paper or an Instrument of any kind (unless delivered to Lender in accordance with Section 3.2 of this Agreement) and has not been reduced to judgment;

(n) the Account Debtor's total indebtedness to the applicable Borrower does not exceed the amount of any credit limit established by the applicable Borrower or Lender in its Permitted Discretion and the Account Debtor is otherwise deemed to be creditworthy by Lender *provided*, that Accounts which are deemed to be ineligible solely by reason of this clause (n) shall be considered Eligible Billed Accounts to the extent the amount of such Accounts does not exceed the lower of such credit limits);

(o) there are no facts or circumstances existing, or which could reasonably be anticipated to occur, which might result in any adverse change in the Account Debtor's financial condition or impair or delay the collectability of all or any portion of such Account;

(p) Lender has been furnished with all documents and other information pertaining to such Account which Lender has reasonably requested, or which the applicable Borrower is obligated to deliver to Lender, pursuant to this Agreement;

(q) the applicable Borrower has not made an agreement with the Account Debtor to extend the time of payment thereof beyond the time periods set forth in clause (b) above;

(r) the applicable Borrower has not posted a surety or other bond in respect of the contract under which such Account arose; and

(s) the Account Debtor is not subject to any proceeding seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar applicable law.

"Eligible Real Estate" means, at any time of determination, any or all of the real property owned in fee simple by a Borrower and set forth in **Section I of Schedule C** hereto, in each case to the extent such real property satisfies the following criteria (provided, that Lender may, in its Permitted Discretion, revise such criteria from time to time to address the results of any information with respect to the Borrowers' business or assets, including as a result of any appraisal or opinion of value performed by (or on behalf of) Lender from time to time):

(a) such real property is at all times subject to Lender's duly perfected, first priority Lien pursuant to a Mortgage and no other Lien (other than Permitted Liens of the type described in clauses (a), (c), (d), (g), (j) and (o) (with respect to any of the foregoing clauses (a), (c), (d), (g) and (j)) of the definition thereof);

(b) no Loan Party shall have received a notice from any institution of any proceeding for the condemnation or seizure of all or any portion of such real property or for the exercise of any right of eminent domain;

(c) there shall have been no actual condemnation, seizure or taking by exercise of the power of eminent domain or otherwise of all or any portion of such real property, or confiscation or the requisition of the use of such of all or a portion of such real property;

(d) Lender shall have received the following, in each case in form and substance reasonably satisfactory to Lender: (i) evidence of payment by the Borrowers of all real estate recording taxes payable in connection with the recording of such Mortgage in all applicable counties in which the real property subject to such Mortgage is located, (ii) surveys, (iii) evidence satisfactory to Lender of zoning compliance, (iv) fully paid mortgagee title insurance policies (or binding commitments to issue title insurance policies, marked to Lender's satisfaction to evidence the form of such policies to be delivered with respect to the applicable Mortgage), in standard ALTA form, issued by a title insurance company satisfactory to Lender, in an amount equal to not less than the Value of Eligible Real Estate of such real property, insuring the applicable Mortgage to create a valid Lien on such real property with no exceptions that Lender has not approved and with no survey exceptions, (v) opinions of counsel, in form and substance reasonably satisfactory to Lender, covering such matters as Lender may request with respect to the applicable Mortgage, (vi) executed payoff letters and any necessary Lien releases as may be required by Lender to evidence the termination and release of any Liens on such real property, (vii) Lender shall have received environmental studies and reports prepared by independent environmental engineering firms with respect to such property, in form and substance satisfactory to Lender and (viii) each other document (including any Uniform Commercial Code financing statement) required by the Loan Agreement, the Mortgages, any related agreement or under law or as requested by Lender to be submitted to the appropriate filing office for recordation in order to create, in favor of Lender, a perfected security interest in the Collateral of each applicable Loan Party; and

(e) such real property is operated by a Borrower.

"Eligible Unbilled Account" means any Unbilled Amount of a Borrower which (a) is owing, but which is not yet billed, for advertising sales actually consummated by such Borrower, as reflected on its books and records, (b) shall become a standard billed Account in the ordinary course of business of such Borrower pursuant to the billing of such amount (and the conversion thereof into an Account), (c) is subject to a perfected first priority security interest in favor of Lender and no other lien except Permitted Liens and would not otherwise be deemed ineligible under the definition of Eligible Billed Accounts (except for the fact that such Unbilled Amount is not yet billed and invoiced), (d) the Unbilled Amount is evidenced by documentation satisfactory to the Lender in its Permitted Discretion and has been verified by Lender in a manner satisfactory to Lender in its Permitted Discretion, (e) is owing by a Person other than any Affiliate, creditor or supplier of such Borrower (with such Unbilled Amounts to be ineligible to the extent of any amounts owed by such Borrower to such Person as a creditor or supplier), and (f) is the product of services rendered not earlier than the number of days specified in Section 4(c) of Schedule A. Notwithstanding anything to the contrary contained in the foregoing, no Unbilled Amount shall be an Eligible Unbilled Account included in the Borrowing Base unless such Unbilled Amount is owing in, and will be billed and invoiced in, denominated in and repayable in, Dollars.

"Equity Interests" means, with respect to a Person, all of the shares of stock, warrants, interests, participations, or other equivalents (regardless of how designated) of or in such Person, whether voting or nonvoting, including capital stock (or other ownership or profit interests or units), preferred stock, or any other "equity security" (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the Securities Exchange Commission under the Exchange Act.

"ERISA" means the Employee Retirement Income Security Act of 1974 and all rules, regulations and orders promulgated thereunder.

"ERISA Affiliate" means any trade or business (whether or not incorporated) under common control with a Loan Party within the meaning of section 414(b) or (c) of the Code (and sections 414(m) and (o) of the Code for purposes of provisions relating to section 412 of the Code and section 302 of ERISA).

“**ERISA Event**” means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of any Loan Party or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a “substantial employer” as defined in Section 4001(a) (2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) the incurrence by any Loan Party of liability with respect to a complete or partial withdrawal by a Loan Party or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate a Pension Plan or the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon a Loan Party or any ERISA Affiliate.

“**Event of Default**” has the meaning set forth in Section 7.1.

“**Event of Loss**” means, with respect to any property or asset (tangible or intangible, real or personal), any of the following:

- (a) any loss, destruction or damage of such property or asset;
- (b) any institution of any proceeding for the condemnation or seizure of such property or asset or for the exercise of any right of eminent domain;
- (c) any actual condemnation, seizure or taking by exercise of the power of eminent domain or otherwise of such property or asset, or confiscation of such property or asset or the requisition of the use of such property or asset; or
- (d) any settlement in lieu of clause (b) or (c) above.

“**Excess Availability**” means the amount, as determined by Lender in its Permitted Discretion, calculated at any date, equal to the difference of (a) the lesser of (x) the Maximum Revolving Facility Amount *minus* the Availability Block *minus* all Reserves and (y) the Borrowing Base, *minus* (b) the outstanding principal balance of all Revolving Loans and the Letter of Credit Balance; *minus* (c) all amount due and owing to any Borrower’s critical trade creditor which are outstanding sixty (60) days or more past their original due date and any book overdraft; *provided* that if any of the Loan Limits for Revolving Loans is exceeded as of the date of calculation, then Excess Availability shall be zero.

“**Exchange Act**” means the Securities Exchange Act of 1934, as in effect from time to time.

“**Excluded Taxes**” means any of the following Taxes imposed on or with respect to a 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 Lender, its lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof), or (ii) that are Other Connection Taxes; (b) United States federal withholding Taxes imposed on amounts payable to or for the account of such Recipient with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which such Recipient acquires such interest in the Loan or Commitment or acquires such participation, except in each case to the extent that, pursuant to Section 9.1 amounts with respect to such Taxes were payable either to such Recipient’s assignor (or Lender granting such participation) immediately before such assignment or grant of participation; (c) Taxes attributable to such Recipient’s failure to comply with Section 9.1(e); and (d) any withholding Taxes imposed pursuant to FATCA.

“**Extraordinary Receipts**” means any cash or cash equivalents received by or paid to or for the account of any Loan Party not in the ordinary course of business, including amounts received in respect of foreign, United States, state or local tax refunds, purchase price adjustments, indemnification payments, and pension plan reversions.

“**FATCA**” means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that 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 and implementing such Sections of the Code.

“**FCC**” means the Federal Communications Commission or any Governmental Authority substituted therefor.

“**FCC Licenses**” means a License (but not including any application therefor) issued or granted by the FCC.

“**Fee Letter**” means that certain Fee Letter, dated as of the date hereof, between Borrowers and Lender.

“**Fiscal Year**” means the fiscal year of Borrowers which ends on December 31st of each year.

“**GAAP**” means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the United States accounting profession), which are applicable to the circumstances as of the date of determination, in any case consistently applied.

“**Governmental Authority**” means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state 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 any supra-national bodies such as the European Union or the European Central Bank).

“**Guarantors**” has the meaning set forth in the heading to this Agreement.

“**Guaranty**”, “**Guaranteed**” or to “**Guarantee**”, as applied to any Indebtedness, liability or other obligation, means (a) a guaranty, directly or indirectly, in any manner, including by way of endorsement (other than endorsements of negotiable instruments for collection in the ordinary course of business), of any part or all of such Indebtedness, liability or obligation, and (b) an agreement, contingent or otherwise, and whether or not constituting a guaranty, assuring, or intended to assure, the payment or performance (or payment of damages in the event of non-performance) of any part or all of such Indebtedness, liability or obligation by any means (including, the purchase of securities or obligations, the purchase or sale of property or services, or the supplying of funds).

“Indebtedness” means (without duplication), with respect to any Person, (a) all obligations or liabilities, contingent or otherwise, for borrowed money, (b) all obligations represented by promissory notes, bonds, debentures or the like, or on which interest charges are customarily paid, (c) all liabilities secured by any Lien on property owned or acquired, whether or not such liability shall have been assumed, (d) all obligations of such Person under conditional sale or other title retention agreements relating to property or assets purchased by such Person, (e) all obligations of such Person issued or assumed as the deferred purchase price of property or services (excluding trade payables which are not sixty (60) days or more past their due date incurred in the ordinary course of business, but including the maximum potential amount payable under any earn-out or similar obligations), (f) all Capitalized Leases of such Person, (g) all obligations (contingent or otherwise) of such Person as an account party or applicant in respect of letters of credit and/or bankers’ acceptances, or in respect of financial or other hedging obligations, (h) all obligations in respect of Disqualified Equity Interests, (i) all principal outstanding under any synthetic lease, off-balance sheet loan or similar financing product, (j) all Guarantees, endorsements (other than for collection in the ordinary course of business), and (k) other contingent obligations in respect of the obligations of others constituting Indebtedness under any of clauses (a) through (i) above.

“Indemnified Taxes” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“Information Certificate” means (a) as of the Closing Date, the Information Certificate annexed hereto and (b) as of any date after the Closing Date, the Information Certificate described in the immediately foregoing clause (a) as most recently updated and delivered to Lender.

“Information Reporting Date” means the Closing Date and each date thereafter on which an Information Certificate is required to be updated and delivered to Lender; provided that during the continuance of an Event of Default, Information Reporting Date shall be any date or series of dates that Lender determines in its Permitted Discretion.

“Intellectual Property” means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including copyrights, copyright licenses, patents, patent licenses, trademarks and trademark licenses, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

“Intercreditor Agreement” means that certain Intercreditor Agreement, dated as of the Closing Date between Lender and Senior Secured Note Agent and acknowledged by Borrowers.

“Interest Expense” means, for the applicable period, for Parent and its Subsidiaries on a consolidated basis, total interest expense (including interest attributable to Capitalized Leases in accordance with GAAP) and fees with respect to outstanding Indebtedness.

“Investment Property” means the collective reference to (a) all “investment property” as such term is defined in Section 9-102 of the UCC, (b) all “financial assets” as such term is defined in Section 8-102(a)(9) of the UCC, and (c) whether or not constituting “investment property” as so defined, all Pledged Equity.

“Issuers” means the collective reference to each issuer of Investment Property.

“Joint Sales Agreement” means, with respect to a radio broadcast station, a joint sales agreement or other similar contractual arrangement pursuant to which a Person, other than the Person holding the FCC License of such radio broadcast station or an Affiliate of such person, obtains the right to (a) set the advertising rates for such radio broadcast station, or (b) conduct or manage the sale of advertising availabilities on such television broadcast station (whether all or a portion of such availabilities).

“**Judgment Currency**” has the meaning set forth in Section 6.2(b).

“**Lender**” has the meaning set forth in the heading to this Agreement.

“**Letter of Credit**” has the meaning set forth in Section 1.1.

“**Letter of Credit Balance**” means the sum of (a) the aggregate undrawn face amount of all outstanding Letters of Credit and (b) all interest, fees and costs due or, in Lender’s reasonable estimation, likely to become due in connection therewith.

“**Letter of Credit Limit**” means the amount set forth in Section 1(e) of Schedule A.

“**License**” means any authorization, permit, consent, special temporary authorization, franchise, ordinance, registration, certificate, license, agreement or other right filed with, granted by or entered into with a Governmental Authority which permits or authorizes the acquisition, construction, ownership or operation of a radio broadcast station or any part thereof.

“**Lien**” means any mortgage, deed of trust, pledge, hypothecation, assignment, charge, deposit arrangement, encumbrance, easement, lien (statutory or other), security interest, or other security arrangement and any other preference, priority, or preferential arrangement in the nature of a security interest of any kind or nature whatsoever, including any conditional sale contract or other title retention agreement, the interest of a lessor under a Capitalized Lease and any synthetic or other financing lease having substantially the same economic effect as any of the foregoing.

“**Loan Account**” has the meaning set forth in Section 2.4.

“**Loan Documents**” means, collectively, this Agreement and all notes, guaranties, security agreements, mortgages, certificates, landlord’s agreements, Lock Box and Blocked Account agreements, the Fee Letter, the Mortgages, the Intercreditor Agreement, the Collateral Pledge Agreements, and all other agreements, documents and instruments now or hereafter executed or delivered by any Borrower or any other Loan Party in connection with, or to evidence the transactions contemplated by, this Agreement.

“**Loan Guaranty**” means Section 8 of this Agreement.

“**Loan Limits**” means, collectively, the Loan Limits for Revolving Loans and Letters of Credit set forth in Section 1 of Schedule A and all other limits on the amount of Loans and Letters of Credit set forth in this Agreement.

“**Loan Party**” means, individually, Parent, any Borrower or any Guarantor party to this Agreement; and “**Loan Parties**” means, collectively, Parent, Borrowers and Guarantors party to this Agreement.

“**Loans**” means, collectively, the Revolving Loans.

“**Local Marketing Agreement**” means, a local marketing agreement, time brokerage agreement or similar arrangement pursuant to which a Person, subject to customary preemption rights and other limitations, obtains the right to exhibit programming and sell advertising time on such radio broadcast station constituting 15% or more of the air time per week of a radio broadcast station licensed to another Person.

“**Lock Box**” has the meaning set forth in Section 4.1.

“**Material Adverse Effect**” means any event, act, omission, condition or circumstance which, which individually or in the aggregate, has or could reasonably be expected to have a material adverse effect on (a) the business, operations, properties, assets, financial condition or otherwise, of the Loan Parties (taken as a whole), (b) the ability of the Loan Parties and their Subsidiaries, taken as a whole, to perform any of their obligations under the Loan Documents, or (c) the validity or enforceability of, or Lender’s rights and remedies with respect to the Loan Documents.

“**Material Contract**” means, with respect to any Person, (a) each contract or agreement or series of related contracts or agreements to which such Person or any of its Subsidiaries is a party involving aggregate consideration payable to or by such Person or such Subsidiary of \$5,000,000 or more (other than purchase orders in the ordinary course of the business of such Person or such Subsidiary and other than contracts that by their terms may be terminated by such Person or Subsidiary in the ordinary course of its business upon less than 60 days’ notice without penalty or premium), (b) each contract or agreement or series of related contracts or agreements with a Material Third-Party Station involving aggregate consideration of \$1,000,000 or more, and (c) all other contracts or agreements or series of related contracts or agreements, the loss or breach of which could reasonably be expected to result in a Material Adverse Effect.

“**Material Third-Party Station**” means a terrestrial radio station owned and operated by any Person, other than a Borrower and its Subsidiaries, which programs such station with programming supplied by a Borrower pursuant to a contract or agreement involving aggregate consideration of \$1,000,000 or more.

“**Maturity Date**” means the Scheduled Maturity Date (or if earlier the Termination Date), or such earlier date as the Obligations may be accelerated in accordance with the terms of this Agreement (including without limitation pursuant to Section 7.2).

“**Maximum Lawful Rate**” has the meaning set forth in Section 2.5.

“**Maximum Liability**” has the meaning set forth in Section 8.9.

“**Maximum Revolving Facility Amount**” means the amount set forth in Section 1(a) of Schedule A.

“**Monthly Financial Model**” means a report substantially in the form of Exhibit G hereto to be signed by an Authorized Officer of Borrowing Agent.

“**Mortgages**” means, individually and collectively, one or more mortgages, deeds of trust, or deeds to secure debt, executed and delivered by a Loan Party or one of its Subsidiaries in favor of Lender, in form and substance reasonably satisfactory to Lender, that encumber the Real Estate Collateral.

“**Multiemployer Plan**” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which a Loan Party or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

“**Net Income**” means, for the applicable period, for Parent and its Subsidiaries on a consolidated basis, the net income (or loss) of Parent and its Subsidiaries on a consolidated basis for such period, in each case of Parent and its Subsidiaries on a consolidated basis for such period.

“**Non-Paying Guarantor**” has the meaning set forth in Section 8.10.

“**Non-U.S. Recipient**” has the meaning set forth in Section 9.1(e)(ii).

“**Notice of Borrowing**” has the meaning set forth in Section 1.4.

“**Obligations**” means all present and future Loans, advances, debts, liabilities, fees, expenses, obligations, guaranties, covenants, duties and indebtedness at any time owing by any Borrower or any Loan Party to Lender, whether evidenced by this Agreement or any other Loan Document, whether arising from an extension of credit, opening of a Letter of Credit, guaranty, indemnification or otherwise, whether direct or indirect (including those acquired by assignment and any participation by Lender in Borrowers’ indebtedness owing to others), whether absolute or contingent, whether due or to become due, and whether arising before or after the commencement of a proceeding under the Bankruptcy Code or any similar statute.

“**Organic Documents**” means, with respect to any Person, the certificate of incorporation, articles of incorporation, certificate of formation, certificate of limited partnership, by-laws, operating agreement, limited liability company agreement, limited partnership agreement or other similar governance document of such Person.

“**Other Connection Taxes**” means, 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 Loan Document, or sold or assigned an interest in any Loan or Loan Document).

“**Other Taxes**” means 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 Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

“**Overadvance**” has the meaning set forth in Section 1.7(a).

“**Parent**” has the meaning set forth in the Preamble hereto.

“**Participant**” has the meaning set forth in Section 10.10.

“**Paying Guarantor**” has the meaning set forth in Section 8.10.

“**PBGC**” means the Pension Benefit Guaranty Corporation.

“**Pension Act**” means the Pension Protection Act of 2006.

“**Pension Funding Rules**” means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and Multiemployer Plans and set forth in, with respect to plan years ending prior to the effective date of the Pension Act, Section 412 of the Code and Section 302 of ERISA, each as in effect prior to the Pension Act and, thereafter, Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA, and any sections of the Code or ERISA related thereto that are enacted after the date of this Agreement.

“*Pension Plan*” means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by a Loan Party and/or ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

“*Permitted Acquisition*” means any acquisition by a Loan Party of (a) all or substantially all of the assets of a Person or line of business of such Person or (b) all of the outstanding capital stock or other Equity Interests of a Person (such selling Person (in the case of clause (a)) or acquired Person (in the case of clause (b)) is herein referred to as the “*Target*”) in each case to the extent that:

(i) such acquisition shall be structured as (A) an asset acquisition by a Loan Party of all or substantially all of the assets of the Target (or all or substantially all of a line or lines of business of such Target) (not taking into account working capital or intangible assets), (B) a merger of the Target into a Loan Party (with the Loan Party being the surviving entity of such merger), or (C) a purchase of no less than 100% of the capital stock or other Equity Interest of the Target;

(ii) the Loan Parties shall have furnished the Lender with at least ten (10) Business Days’ (or such shorter period as may be agreed by the Lender) prior written notice of such intended acquisition, which notice shall include a reasonably detailed description of the proposed terms of such acquisition and identify the anticipated closing date thereof;

(iii) no Default or Event of Default shall have occurred and be continuing either immediately prior to or immediately after giving effect to such acquisition;

(iv) no Availability Block Period shall be in effect;

(v) Excess Availability is not less than \$5,000,000 on the date of such acquisition, immediately after giving effect to such acquisition;

(vi) Average Excess Availability on the date of such acquisition is not less than \$5,000,000, calculated on a pro forma basis as if such acquisition occurred, and any Revolving Loans made in connection therewith was made, on the first day of the 30-day period used to calculate such Average Excess Availability;

(vii) the Loan Parties shall have furnished the Lender with a due diligence package as the Lender may reasonably request, which package shall include, without limitation, the following with regard to the acquisition: (A) appraisals (if existing); (B) to the extent existing, historical financial statements of the Target for the two fiscal years prior to such acquisition (three fiscal years, if available) (or, if the Target has not been in existence for two years, for each year the Target has existed); (C) a description of the method of financing the acquisition, including sources and uses; (D) locations of all material personal and real property of the Target, including the location of its chief executive office; (E) such environmental audits and other related materials as have been made available to any Loan Party with respect to the proposed Permitted Acquisition; (F) updated projections determined on a pro forma basis giving effect to such acquisition; and (G) a quality of earnings report to the extent one is prepared;

(viii) the Loan Parties shall have furnished to the Lender on or prior to the date on which any such acquisition is to be consummated, a certificate of an officer of the Loan Parties, in form and substance reasonably satisfactory to the Lender, (A) certifying that all of the requirements for a Permitted Acquisition will be satisfied on or prior to the consummation of such acquisition (or otherwise in accordance with their terms) and (B) a reasonably detailed calculation of clauses (v) and (vi) above (and such certificate shall be updated as necessary to make it accurate as of the date the acquisition is consummated);

(ix) as soon as practicable after the closing of such acquisition, and in any event within ten (10) days after such closing, the Loan Parties shall deliver copies of all material documents executed in connection with such acquisition to the Lender;

(x) such acquisition shall have received the approval (to the extent required) of the board of directors or similar governing body of the Target;

(xi) the Loan Parties shall comply and, as applicable, shall cause the Target to comply with the provisions of Section 3.3;

(xii) the assets, business line or Target acquired shall comprise a business of the type engaged in by the Loan Parties as of the Closing Date (or is reasonably related, ancillary or complementary thereto);

(xiii) with respect to any acquisition involving consideration paid or payable (including all transaction costs, Indebtedness incurred or assumed, and the maximum amount of all deferred payments, including Earnouts (with any Earnout being deemed to equal the amount of Indebtedness in respect of such Earnout as determined in accordance with the definition of "Earnout")) in excess of \$5,000,000, for the most recent twelve (12) month period prior to the acquisition date for which financial statements are available, the Target (or business line) being acquired shall have EBITDA greater than zero;

(xiv) the aggregate amount of all consideration paid or payable (including all transaction costs, Indebtedness incurred or assumed, and the maximum amount of all deferred payments, including Earnouts (with any Earnout being deemed to equal the amount of Indebtedness in respect of such Earnout as determined in accordance with the definition of Earnout) in respect of such acquisition (such amounts, collectively, the "**Acquisition Consideration**"), together with the aggregate Acquisition Consideration in respect of all other Permitted Acquisitions consummated after the Closing Date, shall not exceed \$10,000,000;

(xv) all FCC Licenses being acquired in connection with such acquisition are being acquired by a wholly-owned Domestic Subsidiary of Parent; and

(xvi) no assets acquired in any such acquisition shall be included in the Borrowing Base until Lender has received a field examination and/or appraisal of such assets, in form and substance acceptable to Lender.

"Permitted Discretion" means: a determination made by Lender in the exercise of reasonable (from the perspective of an asset-based secured lender) business judgment.

"Permitted Holders" means (a) any of Stuart W. Epperson and Edward G. Atsinger III; (b) family members or the relatives of the Persons described in clause (a); (c) any revocable trusts created for the benefit of the Persons described in clauses (a), (b) or (d) or any revocable trust for the benefit of any such trust; or (d) in the event of the incompetence or death of any of the Persons described in clauses (a) and (b), such Person's estate, executor, administrator, committee or other personal representative or beneficiaries, in each case who at any particular date shall beneficially own or have the right to acquire, directly or indirectly, Equity Interests of Parent.

“Permitted Indebtedness” means: (a) the Obligations; (b) the Indebtedness existing on the date hereof described in Section 46 of the Information Certificate; in each case along with extensions, refinancings, modifications, amendments and restatements thereof, *provided*, that (i) the principal amount thereof is not increased, (ii) if such Indebtedness is subordinated to any or all of the Obligations, the applicable subordination terms shall not be modified without the prior written consent of Lender, and (iii) the terms thereof are not modified to impose more burdensome terms upon any Loan Party; (c) capitalized leases and purchase money Indebtedness secured by Permitted Liens in an aggregate amount not exceeding \$500,000 at any time outstanding; (d) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business; (e) to the extent subject to the Intercreditor Agreement, the Senior Secured Note Indebtedness in an aggregate principal amount outstanding as of any date of determination not to exceed the result of (i) \$159,416,000, *minus* (ii) the aggregate amount of repayments of Senior Secured Notes on or prior to such date of determination and any refinancing in respect of such Indebtedness in accordance with and subject to the Intercreditor Agreement; (f) Indebtedness incurred in the ordinary course of business in respect of credit cards, credit card processing services, debit cards, stored value cards, commercial cards (including so-called “purchase cards”, “procurement cards” or “p-cards”), and other Cash Management Services; (g) Indebtedness (i) incurred in the ordinary course of business with respect to surety and appeal bonds, performance bonds, bid bonds, appeal bonds, completion guarantees and similar obligations and (ii) unsecured guarantees arising with respect to customary indemnification obligations to purchasers in connection with any sale, lease, transfer or other disposition permitted hereunder; (h) Indebtedness arising from agreements providing for indemnification, contribution, earnout, adjustment of purchase price or similar obligations, in each case, incurred or assumed in connection with the acquisition or disposition of any business, assets or Equity Interests otherwise permitted hereunder; (i) Indebtedness owed to any Person providing property, casualty, liability or other insurance to any Loan Party or any of its Subsidiaries, so long as the amount of such Indebtedness is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the year in which such Indebtedness is incurred and such Indebtedness is outstanding only during such year; (j) Indebtedness constituting investments permitted under Section 5.25(e); (k) unsecured Indebtedness incurred in respect of netting services, overdraft protection, and other like services, in each case, incurred in the ordinary course of business; (l) Indebtedness in an aggregate principal amount not to exceed \$1,000,000 at any time outstanding; and (m) accrual of interest, accretion or amortization of original issue discount, or the payment of interest in kind, in each case, on Indebtedness that otherwise constitutes Permitted Indebtedness.

“Permitted Investments” means:

(a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States of America), in each case maturing within one year from the date of acquisition thereof;

(b) marketable direct obligations issued by any state of the United States of America or any political subdivision of any such state or any public instrumentality thereof maturing within one year from the date of acquisition thereof and, at the time of acquisition, having a rating of at least AA from Standard & Poor’s Ratings Services, a Division of S&P Global Ratings (“S&P”) or Aa from Moody’s Investors Service, Inc. (“Moody’s”);

(c) investments in commercial paper maturing within one year from the date of acquisition thereof and having, at such date of acquisition, a rating of at least A-2 from S&P or P-2 from Moody’s;

(d) investments in certificates of deposit, banker's acceptances and time deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States of America or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(e) fully collateralized repurchase agreements with a term of not more than 120 days for securities described in clause (a) of this definition and entered into with a financial institution satisfying the criteria described in clause (d) of this definition; and

(f) money market funds that (i) comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940, (ii) are rated at least AA by S&P or Aa by Moody's and (iii) have portfolio assets of at least \$1,000,000,000.

"Permitted Liens" means (a) purchase money security interests on fixed assets or the interests of lessors under capital leases securing Permitted Indebtedness described under clause (c) of the definition of Permitted Indebtedness; (b) Liens disclosed in Section 47 of the Information Certificate; **provided, however**, that to qualify as a Permitted Lien, any such Lien described in Section 47 of the Information Certificate shall only secure the Indebtedness that it secures on the Closing Date and any permitted refinancing in respect thereof; (c) Liens for taxes, fees, assessments, or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings (which proceedings have the effect of preventing the enforcement of such lien) for which adequate reserves in accordance with GAAP are being maintained, **provided**, that the same have no priority over any of Lender's security interests; (d) Liens of materialmen, mechanics, carriers, or other similar liens arising in the ordinary course of business and securing obligations which are not delinquent or are being contested in good faith by appropriate proceedings (which proceedings have the effect of preventing the enforcement of such lien) for which adequate reserves in accordance with GAAP are being maintained; (e) Liens which constitute banker's liens, rights of set-off, or similar rights as to deposit accounts or other funds maintained with a bank or other financial institution (but only to the extent such banker's liens, rights of set-off or other rights are in respect of customary service charges relative to such deposit accounts and other funds, and not in respect of any loans or other extensions of credit by such bank or other financial institution to any Loan Party); (f) cash deposits or pledges to secure the payment of worker's compensation, unemployment insurance, or other social security benefits or obligations, public or statutory obligations, surety or appeal bonds, bid or performance bonds, or other obligations of a like nature incurred in the ordinary course of business; (g) to the extent subject to the Intercreditor Agreement, Liens in favor of the Senior Secured Note Agent to secure the Senior Secured Note Indebtedness; (h) judgment Liens arising solely as a result of the existence of judgments, orders, or awards that do not constitute an Event of Default under Section 7.1(d); (i) the interests of lessors under operating leases and non-exclusive licensors under license agreements; (j) with respect to any Real Estate, easements, rights of way, and zoning restrictions that do not materially interfere with or impair the use or operation thereof and, with respect to any Eligible Real Estate or other Real Estate subject to a Mortgage, the exceptions set forth in the title insurance policy issued in favor of Lender; (k) non-exclusive licenses of patents, trademarks, copyrights, and other intellectual property rights in the ordinary course of business; (l) rights of setoff or bankers' liens upon deposits of funds in favor of banks or other depository institutions, solely to the extent incurred in connection with the maintenance of such Deposit Accounts in the ordinary course of business; (m) 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 the definition of Permitted Indebtedness; (n) Liens 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; (o) Liens that are replacements of Permitted Liens to the extent that the original Indebtedness is the subject of permitted refinancing Indebtedness and so long as the replacement Liens only encumber those assets that secured the original

Indebtedness; (p) the Umpqua Blanket Lien so long as such Lien is subject to a subordination agreement, in form and substance satisfactory to Lender; provided that from the Closing Date to the date that is 30 days thereafter no subordination agreement shall be required to be delivered in connection with the same, (q) a Lien in favor of Umpqua Bank securing the Umpqua Cash Collateral Account to the extent the Umpqua Blanket Lien is terminated, (r) a Lien in favor of Wells Fargo Bank, N.A. securing the Wells Fargo Cash Collateral Account, and (s) Liens securing Indebtedness not for borrowed money in an amount not to exceed \$250,000 in the aggregate at any one time.

“**Person**” means any individual, sole proprietorship, partnership, joint venture, limited liability company, trust, unincorporated organization, association, corporation, government or any agency or political division thereof, or any other entity.

“**Plan**” means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained by any Loan Party or any such plan to which any Loan Party (or with respect to any plan subject to Section 412 or 430 of the Code or Section 302 or Title IV of ERISA, any ERISA Affiliate) is required to contribute.

“**Pledged Equity**” means the Equity Interests listed on Sections 20 and 41 of the Information Certificate, together with any other Equity Interests, certificates, options, or rights or instruments of any nature whatsoever in respect of the Equity Interests of any Person that may be issued or granted to, or held by, any Loan Party while this Agreement is in effect, and including, without limitation, to the extent attributable to, or otherwise related to, such pledged Equity Interests, all of such Loan Party’s (a) interests in the profits and losses of each Issuer, (b) rights and interests to receive distributions of each Issuer’s assets and properties, and (c) rights and interests, if any, to participate in the management or each Issuer related to such pledged Equity Interests.

“**Prepayment Event**” means: (a) any sale (other than sales of inventory in the ordinary course of business), transfer or other disposition (including pursuant to a sale and leaseback transaction) of ABL Priority Collateral of any Loan Party other than assets with an aggregate fair value which do not exceed \$500,000 in any Fiscal Year; (b) any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any ABL Priority Collateral of any of any Loan Party with an aggregate fair value immediately prior to such event equal to or greater than \$500,000 in any Fiscal Year; (c) the issuance by any Loan Party to any Person (other than to another Loan Party) of any Equity Interests after the Closing Date, or the receipt by any Loan Party of any capital contribution from any Person (other than from another Loan Party) after the Closing Date; (d) the incurrence by any Loan Party of any Indebtedness not permitted by this Agreement; (e) the receipt by any Loan Party of any Extraordinary Receipts in excess of \$500,000 in the aggregate in any Fiscal Year; and (f) the event of a voluntary or involuntary sale or disposition of any Eligible Real Estate (including as a result of an Event of Loss).

“**Protective Advances**” has the meaning set forth in Section 1.3.

“**Qualified Equity Interests**” means any Equity Interests issued by Parent (and not by one or more of its Subsidiaries) that is not a Disqualified Equity Interest.

“**Real Estate**” means any estates or interests in real property now owned or hereafter acquired by any Loan Party or one of its Subsidiaries and the improvements thereto.

“**Real Estate Advance Rate**” means the percentage set forth in Section 1(b)(iii) of Schedule A.

“Real Estate Collateral” means (a) the Real Estate identified on Schedule C to this Agreement, and (b) any Real Estate hereafter acquired by any Loan Party or one of its Subsidiaries with a fair market value in excess of \$2,000,000.

“Real Estate Sublimit” means the amount set forth in Section 1(d) of Schedule A.

“Recipient” means any Lender, Participant, or any other recipient of any payment to be made by or on account of any Obligation of any Loan Party under this Agreement or any other Loan Document, as applicable.

“Register” has the meaning set forth in Section 10.9(a).

“Released Parties” has the meaning set forth in Section 6.1.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

“Reserves” has the meaning set forth in Section 1.2.

“Restricted Accounts” means (a) Deposit Accounts established and used (and at all times will be used) solely for the purpose of paying current payroll obligations of Loan Parties (and which do not (and will not at any time) contain any deposits other than those necessary to fund current payroll), in each case in the ordinary course of business, (b) Deposit Accounts maintained solely in connection with an employee benefit plan, but solely to the extent that all funds on deposit therein are solely held for the benefit of, and owned by, employees (and will continue to be so held and owned) pursuant to such plan, (c) the Umpqua Cash Collateral Account, (d) the Wells Fargo Cash Collateral Account or (e) Deposit Accounts with an aggregate amount on deposit therein of not more than \$500,000 at any one time for all such Deposit Accounts.

“Revolving Loans” has the meaning set forth in Section 1.1.

“Scheduled Maturity Date” means the date set forth in Section 6 of Schedule A.

“Securities Act” means the Securities Act of 1933, as amended.

“Senior Officer” means the current chief executive officer or chief financial officer of any Loan Party.

“Senior Secured Note Agent” means U.S. Bank National Association, in its capacity as collateral agent under the Senior Secured Note Documents, and its successors and assigns.

“Senior Secured Note Documents” means the Senior Secured Note Indenture, the Senior Secured Notes, and the “Security Documents” (as that term is defined in the Senior Secured Note Indenture).

“Senior Secured Note Indebtedness” means Indebtedness evidenced by the Senior Secured Notes.

“Senior Secured Note Indenture” means the Indenture, dated as of September 10, 2021, among Parent, the subsidiary guarantors party thereto and U.S. Bank National Association, as trustee, and Senior Secured Note Agent, governing the Senior Secured Notes, as amended, supplemented or otherwise modified from time to time.

“**Senior Secured Notes**” means the 7.125% Senior Secured Notes due 2028 issued by Parent pursuant to the Senior Secured Note Indenture, as amended, supplemented or otherwise modified from time to time.

“**Shared Services Agreement**” means a shared services arrangement or other contractual arrangement pursuant to which a Person owning a radio broadcast station provides certain technical, business, management, administrative, back-office or other services in support of the business or operation of a second television broadcast station owned by another Person (who is not an Affiliate of the first Person).

“**Sharing Arrangement**” means any Shared Services Agreement, Joint Sales Agreement, or Local Marketing Agreement.

“**SOFR**” means a rate equal to the secured overnight financing rate as administered by the SOFR Administrator.

“**SOFR Administrator**” means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“**SOFR-Based Rate**” means SOFR or Term SOFR.

“**SOFR Business Day**” means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“**Stated Rate**” has the meaning set forth in Section 2.5.

“**Station**” means, at any time and with respect to the radio broadcast stations of any Loan Party or its Subsidiaries (a) as set forth on Schedule 57 of the Information Certificate, or (b) as acquired, directly or indirectly, by any Loan Party or its Subsidiaries thereof after the Closing Date pursuant to a transaction permitted under the Loan Documents; provided that any such radio broadcast station that ceases to be owned, directly or indirectly, by a Loan Party or its Subsidiaries pursuant to a transaction permitted under the Loan Documents shall, upon consummation of such transaction, cease to be a “Station” hereunder. This definition of “Station” may be used with respect to any single radio station meeting any of the preceding requirements or all such radio stations, as the context requires.

“**Subsidiary**” means any corporation or other entity of which a Person owns, directly or indirectly, through one or more intermediaries, more than 50% of the Equity Interests at the time of determination. Unless the context indicates otherwise, references to a Subsidiary shall be deemed to refer to a Subsidiary of Borrowers.

“**Taxes**” means 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**” means the Term SOFR Reference Rate for a tenor of one month on the day (such day, the “**Periodic Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for a tenor of one month has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for one month as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business

Day for which such Term SOFR Reference Rate for one month was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; provided, if the Term SOFR determined as provided above would be less than 4.30%, then Term SOFR shall be deemed to be 4.30%.

“Term SOFR Administrator” means CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by Lender in its reasonable discretion).

“Term SOFR Loan” means each portion of a Loan that bears interest at a rate determined by reference to Term SOFR.

“Term SOFR Reference Rate” means the forward-looking term rate based on SOFR.

“Term SOFR Successor Rate” has the meaning set forth in Section 2.1(e).

“Termination Date” means the date on which all of the Obligations have been paid in full in cash (other than any contingent indemnification obligations for which no claim has been asserted or any Obligations which have been cash collateralized in accordance with the terms of this Agreement) and all of Lender’s lending commitments under this Agreement and under each of the other Loan Documents have been terminated.

“UCC” means, at any given time, the Uniform Commercial Code as adopted and in effect at such time in the State of New York or such other applicable jurisdiction.

“Umpqua Blanket Lien” means the Lien granted by Parent in favor of Umpqua Bank arising from Parent’s credit card program with Umpqua Bank, which Lien was recorded with the Delaware Secretary of State on September 9, 2019 and pursuant to UCC-1 financing statement number 20196180777.

“Umpqua Cash Collateral Account” a cash collateral account securing liabilities of Parent owing to Umpqua Bank in respect of the credit card program provided to Parent in the ordinary course of business, provided that the funds in such account do not exceed \$2,700,000 at any one time.

“Unbilled Accounts Advance Rate” means the percentage set forth in Section 1(b)(ii) of Schedule A.

“Unbilled Accounts Sublimit” means the amount set forth in Section 1(c) of Schedule A.

“Unbilled Amounts” means, as to a Borrower, all obligations owing to such Borrower and all rights to payment owing to such Borrower, including but not limited to all such obligations and rights to payment constituting Accounts, arising out of or in connection with the rendition of services which have been performed for or provided to any customer but have not yet been billed or invoiced to such customer.

“Value of Eligible Real Estate” means with respect to the Eligible Real Estate, the fair market valuation of the applicable Eligible Real Estate, as set forth in the mostly delivered opinion of value or appraisal received by Lender, prepared by an appraiser acceptable to Lender in its Permitted Discretion.

“Wells Fargo Cash Collateral Account” a cash collateral account securing liabilities of Borrowers owing to Wells Fargo Bank, N.A. in respect of the outstanding letters of credit issued prior to the Closing Date by Wells Fargo Bank, N.A., provided that the funds in such account do not exceed \$285,000 at any one time.

Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder (including determinations made pursuant to the exhibits hereto) shall be made, and all financial statements required to be delivered hereunder shall be prepared on a consolidated basis in accordance with GAAP consistently applied. If at any time any change in GAAP would affect the computation of any financial ratio or financial requirement set forth in any Loan Document, and either Borrowers or Lender shall so request, Lender and Borrowers shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; *provided*, that until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) Borrowers shall provide to Lender financial statements and other documents required under this Agreement and the other Loan Documents which include a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Statement of Financial Accounting Standards 159 (Codification of Accounting Standards 825-10) to value any Indebtedness or other liabilities of any Loan Party at “fair value”, as defined therein.

Notwithstanding anything to the contrary contained in the paragraph above or the definition of Capitalized Leases, any change in accounting for leases pursuant to GAAP resulting from the adoption of Financial Accounting Standards Board Accounting Standards Update No. 2016-02, Leases (Topic 842), to the extent such adoption would require treating any lease (or similar arrangement conveying the right to use) as a capital lease where such lease (or similar arrangement) would not have been required to be so treated under GAAP as in effect on December 31, 2015, such lease shall not be considered a Capitalized Lease (and such lease shall constitute an operating lease) and all calculations and deliverables under this Agreement or the other Loan Documents shall be made in accordance therewith (other than the financial statements delivered pursuant to this Agreement); *provided*, that to the extent reasonably requested by Lender, such financial statements delivered to Lender in accordance with the terms of this Agreement after the date of such change in GAAP shall contain a schedule showing the adjustments necessary to reconcile such financial statements with GAAP as in effect immediately prior to such change.

References in this Agreement to “Articles”, “Sections”, “Annexes”, “Exhibits” or “Schedules” shall be to Articles, Sections, Annexes, Exhibits or Schedules of or to this Agreement unless otherwise specifically provided. Any term defined herein may be used in the singular or plural. “Include”, “includes” and “including” shall be deemed to be followed by “without limitation”. “Or” shall be construed to mean “and/or”. Except as otherwise specified or limited herein, references to any Person include the successors and assigns of such Person. References “from” or “through” any date mean, unless otherwise specified, “from and including” or “through and including”, respectively. Unless otherwise specified herein, the settlement of all payments and fundings hereunder between or among the parties hereto shall be made in lawful money of the United States and in immediately available funds. Time is of the essence for each performance obligation of the Loan Parties under this Agreement and each other Loan Document. All amounts used for purposes of financial calculations required to be made herein shall be without duplication. References to any statute or act shall include all related current regulations and all amendments and any successor statutes, acts and regulations. References to any agreement, instrument or document (a) shall include all schedules, exhibits, annexes and other attachments thereto and (b) shall be construed as referring to such agreement, instrument or other document as from time to time amended, amended and restated, restated, supplemented or otherwise

modified (subject to any restrictions on such amendments, restatements, supplements or modifications set forth herein or in any other Loan Document). 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, securities, accounts and contract rights. Unless otherwise specified herein Dollar (\$) baskets set forth in the representations and warranty, covenants and event of default provisions of this Agreement (and other similar baskets) are calculated as of each date of measurement by the Dollar Equivalents thereof as of such date of measurement.

Schedule C
Real Estate Collateral

First Lien Real Estate Collateral

<u>Loan Party</u>	<u>Common Name and Address</u>
Salem Radio Properties, Inc.	4880 Santa Rosa Road, Camarillo, CA Ventura County, CA
Salem Radio Properties, Inc.	6400 N. Beltline Road, Irving, TX Dallas County, TX
Salem Radio Properties, Inc.	1154-1160 N. King Street, Honolulu (Oahu), HI Honolulu County, HI

Second Lien Real Estate Collateral

<u>Loan Party</u>	<u>Common Name and Address</u>
Salem Radio Properties, Inc.	1621 Piney Grove Road (aka 4180 Timber Trace Rd), Loganville, GA Walton County, GA
Salem Radio Properties, Inc.	470 Minnis Rd & Farm to Market 902, Collinsville, TX 76233 Grayson County, TX

Schedule D

Provide Lender with each of the documents set forth below at the following times in form satisfactory to Lender:

No later than the date that is 45 days after the Closing Date

- a historical financial model for ABLServe, in a form to be determined by Lender



A4. Financial Model
2016 - Historical Data

Monthly (no later than the 20th day of each calendar month)

- a detailed calendar month end aging, by total, of Borrowers' Accounts, together with a monthly Account roll-forward with respect to Borrowers' Accounts, in a format acceptable to Lender in its discretion, tied to the beginning and ending Account balances of Borrowers' general ledger (delivered electronically in an acceptable format)
- a summary calendar month end aging, by vendor, of each Loan Party's accounts payable and any book overdraft and an aging, by vendor, of any held checks (delivered electronically in an acceptable format)
- notice of all claims, offsets, or disputes asserted by Account Debtors with respect to Borrowers' Accounts
- a reconciliation of Accounts and trade accounts payable of Borrowers' calendar month end general ledger accounts to its monthly financial statements including any book reserves related to each category
- a schedule of Eligible Unbilled Accounts detailing (i) the accrual from the immediately prior month end, (ii) all Unbilled Amounts that have been billed since the immediately prior month end, and (iii) all newly-accrued Eligible Unbilled Accounts since the immediately prior month end
- At any time Excess Availability is less than \$1,000,000 and upon Lender's request, copies of invoices together with corresponding shipping and delivery documents, and credit memos together with corresponding supporting documentation, with respect to invoices and credit memos in excess of \$100,000 (or such other amount as determined in Lender's Permitted Discretion, from time to time)

<p>Monthly (no later than 30 days after the end of each calendar month, or 45 days after the end of the last month of each fiscal quarter, with respect to the unaudited interim financial statements), as set forth in Section 5.15(b)</p>	<ul style="list-style-type: none"> • the unaudited interim financial statements of each Loan Party as of the end of such month and of the portion of such Fiscal Year then elapsed (including, for the last month of each fiscal quarter, management discussion and analysis) • a Monthly Financial Model and trial balance (referred to as the “FTA”) for ABLServe, in a form to be determined by Lender • a Compliance Certificate • an updated rolling thirteen week cash flow report
<p>Quarterly</p>	<ul style="list-style-type: none"> • a report regarding each Loan Party’s accrued, but unpaid, ad valorem taxes • a detailed list of all accruals at quarter-end
<p>Bi-Annually (in January and in July of each calendar year)</p>	<ul style="list-style-type: none"> • a detailed list of each Loan Party’s customers, with address and contact information • a detailed list of each Loan Party’s vendors, with address and contact information • an updated Information Certificate, true and correct in all material respects as of the date of delivery, executed by an Authorized Officer of Borrowers and substantially in the form of Exhibit F hereto (it being understood and agreed that no such update shall serve to cure any existing Event of Default, including any Event of Default resulting from any failure to provide any such disclosure to Lender on an earlier date or any breach of any earlier made representation and/or warranty).
<p>Yearly (no later than 90 days after the end of each Fiscal Year of Borrowers), as set forth in Section 5.15(a)</p>	<ul style="list-style-type: none"> • unqualified (other than as a result of an impending maturity of any Permitted Indebtedness within 12 months of the date of delivery), audited financial statements of each Loan Party as of the end of such Fiscal Year • a Compliance Certificate
<p>Yearly (no later than 30 days after the end of each Fiscal Year of Borrowers), as set forth in Section 5.15(d)</p>	<ul style="list-style-type: none"> • monthly business projections for the following Fiscal Year for the Loan Parties on a consolidated basis

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| Yearly (no later than the 120th day after the end of each Fiscal Year of Borrowers) | <ul style="list-style-type: none">• financial statements of each Guarantor |
| Promptly (but in no event later than three Business Days after) following their submission with the FCC or any other Federal, state, or local Governmental Authority | <ul style="list-style-type: none">• copies of any and all periodic or special reports filed by the Parent or any of its Subsidiaries, if such reports are publicly available and indicate a material adverse change in the business, operations, or financial condition of Parent and its Subsidiaries, taken as a whole. |
| Promptly upon (but in no event later than three Business Days after) delivery or receipt, as applicable, thereof | <ul style="list-style-type: none">• copies of any and all written notices (including notices of default or acceleration), reports and other deliveries received by or on behalf of any Loan Party from or sent by or on behalf of any Loan Party to, any holder, agent or trustee with respect to any or all of the Senior Secured Note Indebtedness (in such holder's, agent's or trustee's capacity as such)• any lapse, termination, or relinquishment of any material Broadcast License or any other material License held by Parent or any of its Subsidiaries, or any denial by the FCC or other Governmental Authority of any application to renew or extend such material Broadcast License for the usual period thereof |

FIRST AMENDMENT TO INTERCREDITOR AGREEMENT

THIS FIRST AMENDMENT TO INTERCREDITOR AGREEMENT (this "Amendment") is entered into as of December 26, 2023, by and between SIENA LENDING GROUP LLC ("Siena"), in its capacity as lender under the Revolving Loan Documents (as defined in the Intercreditor Agreement), including its successors and assigns in such capacity from time to time (the "Revolving Lender"), and U.S. BANK NATIONAL ASSOCIATION, not in its individual capacity but solely in its capacity as collateral agent under the Existing Indenture and Notes Collateral Documents (each as defined in the Intercreditor Agreement), including its successors and assigns in such capacity from time to time (the "Notes Collateral Agent").

RECITALS

WHEREAS, WELLS FARGO BANK, NATIONAL ASSOCIATION, in its capacity as administrative agent and collateral agent under the Revolving Loan Documents (as defined in the Existing Intercreditor Agreement), including its successors and assigns in such capacity from time to time (the "Revolving Collateral Agent"), and the Notes Collateral Agent entered into that certain Intercreditor Agreement dated as of May 19, 2017 (the "Existing Intercreditor Agreement");

WHEREAS, in connection with the Discharge of Revolving Obligations (as defined in the Existing Intercreditor Agreement), Salem Media Group, Inc., a Delaware corporation ("Parent"), together with the Subsidiaries of the Parent party thereto as borrowers, the "Revolving Borrowers"), certain Subsidiaries of Parent from time to time party thereto as guarantors (such Subsidiaries, each a "Revolving Guarantor" and collectively, jointly and severally, the "Revolving Guarantors"), and the Revolving Lender are entering into that certain Loan and Security Agreement dated as of the date hereof (the "Loan Agreement").

WHEREAS, Revolving Lender shall replace Revolving Collateral Agent (as defined in the Existing Intercreditor Agreement) and the Revolving Lender and Notes Collateral Agent have agreed to amend the Existing Intercreditor Agreement as set forth herein;

NOW THEREFORE, in consideration of the premises and the mutual agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Revolving Lender and Notes Collateral Agent hereby agree as follows:

1. Defined Terms. Capitalized terms used herein and not defined shall have the meanings given to such terms in the Intercreditor Agreement, as amended by this Amendment.

2. Joinder. Siena, in its capacity as lender under the Revolving Loan Documents, hereby acknowledges the terms and conditions of the Intercreditor Agreement and agrees to be bound thereby as Revolving Lender. Notes Collateral Agent and each Grantor party hereto acknowledges and agrees that the Loan Agreement shall refinance in whole the indebtedness and other obligations outstanding under the Existing Revolving Credit Agreement (as defined in the Existing Intercreditor Agreement), the Discharge of Revolving Obligations (as defined in the Existing Intercreditor Agreement) shall occur on the date hereof, and that Siena shall be the Revolving Lender under the Intercreditor Agreement until it receives a notice in writing from Siena that another Person has become the Revolving Lender.

3. Amendments. The Existing Intercreditor Agreement, effective as of the date hereof, is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken-text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in Exhibit A attached hereto.

4. Condition to Effectiveness. This Amendment shall be effective upon Revolving Lender's and Notes Collateral Agent's receipt of a copy of this Amendment duly executed by Revolving Lender and Notes Collateral Agent and acknowledged by the Grantors.

5. Execution in Counterparts. This Amendment 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. Delivery of an executed counterpart hereof by facsimile or electronic transmission shall be as effective as delivery of any original executed counterpart hereof.

6. Entire Agreement. This Amendment represents the final agreement among the parties hereto and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements among the parties.

7. Miscellaneous. Sections 9 of the Intercreditor Agreement is incorporated herein by reference and are made a part hereof and are applicable to this Amendment as if fully set forth herein, *mutatis mutandis*.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Siena Lending Group LLC,
as the Revolving Lender

By: /s/ Gill Elmore
Name: Gill Elmore
Title: Authorized Signatory

By: /s/ Jason Schick
Name: Jason Schick
Title: Authorized Signatory

Name: SIENA LENDING GROUP LLC
Address: 9 W Broad Street, 5th floor, Suite 540
Stamford, Connecticut 06902
Attention: Steve Sanicola
Email: ssanicola@sienalending.com

with a copy (which shall not constitute notice) to:

Name: Blank Rome LLP
Address: 1271 Avenue of the Americas
New York, NY 10020
Attention: Lawrence F. Flick II, Esq.
E-mail: flick@blankrome.com

[SIGNATURE PAGE TO FIRST AMENDMENT TO INTERCREDITOR AGREEMENT]

U.S. BANK NATIONAL ASSOCIATION,
as the Notes Collateral Agent

By: /s/ Lauren Costales
Name: Lauren Costales
Title: Vice President

Name: U.S. Bank National Association
Address: Global Corporate Trust Services
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Facsimile: (213) 615-6197
Attention: P. Oswald (Salem Media)

[SIGNATURE PAGE TO FIRST AMENDMENT TO INTERCREDITOR AGREEMENT]

ACKNOWLEDGMENT

Each of the undersigned hereby acknowledges that it has received a copy of the foregoing First Amendment to Intercreditor Agreement and consents thereto, agrees to recognize all rights granted thereby to the Revolving Lender, Revolving Claimholders, the Notes Collateral Agent and Notes Claimholders, and will not do any act or perform any obligation which is not in accordance with the agreements set forth therein. Each of the undersigned further acknowledges and agrees that it is not an intended beneficiary or third party beneficiary under the foregoing Intercreditor Agreement except as set forth in Section 9.3 of the Intercreditor Agreement.

Acknowledged as of the date first written above:

**PARENT, ISSUER,
AND A REVOLVING
BORROWER:** **SALEM MEDIA GROUP, INC.**, A Delaware corporation

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Chief Financial Officer

**REVOLVING
BORROWERS AND
NOTES
GUARANTORS:** **AIR HOT, INC.**
 BISON MEDIA, INC.
 INSPIRATION MEDIA, INC.
 NEW INSPIRATION BROADCASTING COMPANY, INC.
 NI ACQUISITION CORP.
 REACH SATELLITE NETWORK, INC.
 SALEM CONSUMER PRODUCTS, INC.
 SALEM COMMUNICATIONS HOLDING CORPORATION
 SALEM MEDIA OF COLORADO, INC.
 SALEM MEDIA OF HAWAII, INC.
 SALEM MEDIA OF OHIO, INC.
 SALEM MEDIA OF OREGON, INC.
 SALEM MEDIA OF TEXAS, INC.
 SALEM MEDIA REPRESENTATIVES, INC.
 SALEM RADIO NETWORK INCORPORATED
 SALEM RADIO PROPERTIES, INC.
 SCA LICENSE CORPORATION
 SRN NEWS NETWORK, INC.
 SRN STORE, INC.
 SALEM NEWS, INC.
 SALEM MANAGEMENT SERVICES, INC.

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Chief Financial Officer

[SIGNATURE PAGE TO FIRST AMENDMENT TO INTERCREDITOR AGREEMENT]

**REVOLVING BORROWERS AND
NOTES GUARANTORS:**

INSPIRATION MEDIA OF TEXAS, LLC
BY: SCA LICENSE CORPORATION
its Managing Member

SALEM MEDIA OF ILLINOIS, LLC
BY: SCA LICENSE CORPORATION
its Managing Member

SALEM MEDIA OF MASSACHUSETTS, LLC
BY: SCA LICENSE CORPORATION
its Managing Member

SALEM MEDIA OF NEW YORK, LLC
BY: SCA LICENSE CORPORATION
its Managing Member

SALEM RADIO OPERATIONS, LLC
BY: SCA LICENSE CORPORATION
its Managing Member

SALEM SATELLITE MEDIA, LLC
BY: SCA LICENSE CORPORATION
its Managing Member

SALEM WEB NETWORK, LLC
BY: SCA LICENSE CORPORATION
its Managing Member

SCA-PALO ALTO, LLC
BY: SCA LICENSE CORPORATION
its Managing Member

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Chief Financial Officer

EAGLE PRODUCTS, LLC
BY: CARON BROADCASTING, INC.,
its Managing Member

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Chief Financial Officer

[SIGNATURE PAGE TO FIRST AMENDMENT TO INTERCREDITOR AGREEMENT]

HISPANOS COMMUNICATIONS, LLC
BY: SALEM MEDIA GROUP, INC.,
its Managing Member

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Chief Financial Officer

NEWS AGGREGATOR LLC
BY: SALEM COMMUNICATIONS HOLDING CORPORATION,
its Sole Member

By: /s/ Evan D. Masyr
Name: Evan D. Masyr
Title: Chief Financial Officer

[SIGNATURE PAGE TO FIRST AMENDMENT TO INTERCREDITOR AGREEMENT]

INTERCREDITOR AGREEMENT

This INTERCREDITOR AGREEMENT is dated as of May 19, 2017, and entered into by and between ~~WELLS FARGO BANK, NATIONAL ASSOCIATION~~ SIENA LENDING GROUP LLC, in its capacity as ~~administrative agent and collateral agent~~ lender under the Revolving Loan Documents (as defined below), including its successors and assigns in such capacity from time to time (the "~~Revolving Collateral Agent~~ Lender"), and U.S. BANK NATIONAL ASSOCIATION, not in its individual capacity but solely in its capacity as collateral agent under the Existing Indenture and Notes Collateral Documents (each as defined below), including its successors and assigns in such capacity from time to time (the "Notes Collateral Agent").

RECITALS

Salem Media Group, Inc., a Delaware corporation ("Parent"), together with the Subsidiaries of the Parent identified on the signature pages to the Revolving Credit Agreement as borrowers, the "Revolving Borrowers"), ~~the certain Subsidiaries of Parent from time to time party thereto as guarantors (such Subsidiaries, each a "Revolving Guarantor" and collectively, jointly and severally, the "Revolving Guarantors")~~ the lenders party thereto, the issuing bank and the Revolving ~~Collateral Agent~~ Lender have entered into that certain ~~Credit Loan and Security~~ Agreement dated as of ~~May 19, 2017~~ December 26, 2023 providing for a revolving credit facility (the "Existing Revolving Credit Agreement");

Parent, as issuer (the "Issuer"), certain Subsidiaries of Parent from time to time (such Subsidiaries, each a "Notes Guarantor" and collectively, jointly and severally, the "Notes Guarantors"), U.S. BANK NATIONAL ASSOCIATION, as trustee (not in its individual capacity, but solely in such trustee capacity (the "Trustee"), and the Notes Collateral Agent have entered into that certain Indenture dated as of ~~May 19, 2017~~ September 10, 2021, as supplemented by that certain supplemental indenture, dated as of March 20, 2023 (as such indenture may be further amended, amended and restated, supplemented or otherwise modified, the "Existing Indenture") pursuant to which Issuer's ~~6-75~~ 7.125% Senior Secured Notes due ~~2024~~ 2028 (the "Existing Notes") were issued;

~~Pursuant to that certain Guaranty and Security Agreement dated as of May 19, 2017 (the "Revolving Guaranty and Security Agreement"), certain Subsidiaries of Parent from time to time have guaranteed all of the Revolving Obligations (such Subsidiaries, each a "Revolving Guarantor" and collectively, jointly and severally, the "Revolving Guarantors") pursuant to the Revolving Credit Agreement;~~

The Revolving Obligations (as defined herein) are to be secured (i) on a first priority basis by Liens on the Revolving Priority Collateral and (ii) on a second priority basis by Liens on the Notes Priority Collateral;

The Notes Obligations (as defined herein) are to be secured (i) on a first priority basis by Liens on the Notes Priority Collateral and (ii) on a second priority basis by Liens on the Revolving Priority Collateral;

The Revolving Loan Documents and the Notes Documents provide, among other things, that the parties thereto shall set forth in this Agreement their respective rights and remedies with respect to the Collateral and certain other matters; and

The Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent have agreed to the intercreditor and other provisions set forth in this Agreement.

AGREEMENT

In consideration of the foregoing, the mutual covenants and obligations herein set forth and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

SECTION 1. Definitions.

1.1 UCC Terms. The following terms have the meanings given to them in the UCC and terms used herein without definition that are defined in the UCC have the meanings given to them in the UCC (such meanings to be equally applicable to both the singular and plural forms of the terms defined): “account”, “account debtor”, “cash proceeds”, “chattel paper”, “commercial tort claim”, “commodity account”, “commodity contract”, “document”, “deposit account”, “equipment”, “fixture”, “general intangible”, “goods”, “instruments”, “inventory”, “letter-of-credit right”, “payment intangible”, “proceeds”, “record”, “securities account”, “security entitlements” “security” and “supporting obligation.”

1.2 Defined Terms. As used in the Agreement, the following terms shall have the following meanings:

“Additional Revolving Credit Agreement” means any agreement for the incurrence of additional indebtedness that is permitted to be secured by the Revolving Priority Collateral on a pari passu basis with the Existing Credit Agreement pursuant to the Notes Documents and the Revolving Loan Documents.

“Agreement” means this Intercreditor Agreement.

~~“Bank Product Collateralization” has the meaning set forth in the Revolving Credit Agreement.~~

~~“Bank Product Obligations” has the meaning set forth in the Revolving Credit Agreement.~~

~~“Bank Product Provider” has the meaning set forth in the Revolving Credit Agreement.~~

~~“Bank Products” has the meaning set forth in the Revolving Credit Agreement.~~

“Bankruptcy Code” means Title 11 of the United States Code entitled “Bankruptcy,” as now and hereafter in effect, or any successor statute.

“Bankruptcy Law” means the Bankruptcy Code and any other federal, state, or foreign law for the relief of debtors.

“Business Day” means any day other than a Saturday, Sunday, or day on which banks in the state of New York are authorized or required by law to remain closed.

“Cash Collateral” has the meaning set forth in Section 6.2.

“Claimholders” means, with respect to the Revolving Obligations, all Revolving Claimholders and with respect to the Notes Obligations, all Notes Claimholders.

“Collateral” means any and all of the assets and property of any Grantor, whether real, personal or mixed, which constitute Revolving Collateral or Notes Collateral.

“Communications Laws” means the Communications Act of 1934, and any similar or successor federal statute, together with all published rules, regulations, policies, orders and decisions of the FCC promulgated thereunder.

“Conforming Plan of Reorganization” means any plan of reorganization filed or confirmed in an Insolvency Proceeding whose provisions are consistent with the provisions of this Agreement.

“Default Disposition” has the meaning set forth in Section 5.1(g).

“DIP Financing” has the meaning set forth in Section 6.2.

“Discharge of Notes Obligations” means, except to the extent otherwise expressly provided in Section 5.5(b), all Notes Obligations (other than unasserted contingent indemnification Notes Obligations) have been paid, performed or discharged in full (with all such Notes Obligations consisting of monetary or payment obligations having been paid in full in cash) and the Notes Collateral Agent has received cash collateral in order to secure any other contingent Notes 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 Notes Collateral Agent or other Notes Claimholder at such time that are reasonably expected to result in any loss, cost, damage, or expense (including attorneys’ fees and legal expenses), such cash collateral to be in such amount as Notes Collateral Agent reasonably determines is appropriate to secure such contingent Notes Obligations.

“Discharge of Revolving Obligations” means, except to the extent otherwise expressly provided in Section 5.5(a): (a) all Revolving Obligations ~~(including the payment of any termination amount then due (or which would or could become due as a result of the repayment of the other Revolving Obligations) under Hedge Agreements provided by Hedge Providers) other than (i) other than~~ unasserted contingent indemnification Revolving Obligations, ~~(ii) any Bank Product Obligations (other than Hedge Obligations) (A) with respect to which Bank Product Collateralization has been provided or (B) 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 (iii) any Hedge Obligations that, at such time, are allowed by the applicable Hedge Provider to remain outstanding without being required to be repaid,~~ have been paid, performed or discharged in full (with all such Revolving Obligations consisting of monetary or payment obligations having been paid in full in cash), (b) no Person has any further right to obtain any loans, letters of credit, bankers’ acceptances, or other extensions of credit

under the documents relating to such Revolving Obligations and the termination or expiration of all commitments, if any, to extend credit under the Revolving Loan Documents, (c) any and all letters of credit, bankers' acceptances or similar instruments issued under such documents have been cancelled and returned (or backed by standby guarantees or letters of credit or cash collateralized) in an amount and manner provided for in the Revolving Loan Documents or otherwise reasonably satisfactory to the Revolving ~~Collateral Agent Lender~~, and (d) the Revolving ~~Collateral Agent Lender~~ has received cash collateral in order to secure any other contingent Revolving 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 Revolving ~~Collateral Agent Lender~~ or other Revolving Claimholder at such time that are reasonably expected to result in any loss, cost, damage, or expense (including attorneys' fees and legal expenses), such cash collateral to be in such amount as Revolving ~~Collateral Agent Lender~~ reasonably determines is appropriate to secure such contingent Revolving Obligations.

"Disposition" or "Dispose" means the sale, assignment, transfer, license, lease (as lessor), exchange, or other disposition (including any sale and leaseback transaction) of any property by any person (or the granting of any option or other right to do any of the foregoing).

"Enforcement Notice" means a written notice delivered by either the Revolving ~~Collateral Agent Lender~~ or the Notes Collateral Agent to the other stating that a Revolving Default or Notes Default, as applicable, has occurred and is continuing under the Revolving Loan Documents or the Notes Documents, as applicable, and that an Enforcement Period has commenced with respect to the Revolving Loan Priority Collateral or Notes Priority Collateral, as applicable, specifying the relevant event of default, stating the current balance of the Revolving Obligations or the Note Obligations, as applicable, and requesting the current balance of the Revolving Obligations or Note Obligations, as applicable, owing to the noticed party.

"Enforcement Period" means the period of time following the receipt by either the Revolving ~~Collateral Agent Lender~~ or the Notes Collateral Agent of an Enforcement Notice from the other and continuing until the earliest of (a) in case of an Enforcement Period commenced by the Notes Collateral Agent, the Discharge of Notes Obligations, (b) in the case of an Enforcement Period commenced by the Revolving ~~Collateral Agent Lender~~, the Discharge of Revolving Obligations, or (c) the Revolving ~~Collateral Agent Lender~~ or the Notes Collateral Agent (as applicable) terminates, or agrees in writing to terminate, the Enforcement Period (including in connection with a waiver of a default that gave rise to such Enforcement Notice).

"Exercise any Secured Creditor Remedies" or "Exercise of Secured Creditor Remedies" means (a) the taking of any action to enforce any Lien in respect of the Collateral, including the institution of any foreclosure proceedings, the noticing of any public or private sale or other Disposition pursuant to Article 9 of the UCC or any diligently pursued in good faith attempt to vacate or obtain relief from a stay or other injunction restricting any other action described in this definition, (b) the exercise of any right or remedy provided to a secured creditor under the Revolving Loan Documents or the Notes Documents (including, in either case, any delivery of any notice to otherwise seek to obtain payment directly from any account debtor of any Grantor or the taking of any action or the exercise of any right or remedy in respect of the setoff or recoupment against the Collateral or proceeds of Collateral), under applicable law, at equity, in an Insolvency Proceeding or otherwise, including credit bidding or otherwise the acceptance of

Collateral in full or partial satisfaction of a Lien, (c) the sale, assignment, transfer, lease, license, or other Disposition of all or any portion of the Collateral, by private or public sale or any other means, (d) the solicitation of bids from third parties to conduct the liquidation of all or a material portion of Collateral to the extent undertaken and being diligently pursued in good faith to consummate the Disposition of such Collateral within a commercially reasonable time, (e) the engagement or retention of sales brokers, marketing agents, investment bankers, accountants, appraisers, auctioneers, or other third parties for the purposes of valuing, marketing, or Disposing of, all or a material portion of the Collateral to the extent undertaken and being diligently pursued in good faith to consummate the Disposition of such Collateral within a commercially reasonable time, (f) the exercise of any other enforcement right relating to the Collateral (including the exercise of any voting rights relating to any capital stock composing a portion of the Collateral or seeking relief from the automatic stay) whether under the Revolving Loan Documents, the Notes Documents, under applicable law of any jurisdiction, in equity, in an Insolvency Proceeding, or otherwise, or (g) the pursuit of Default Dispositions relative to all or a material portion of the Collateral to the extent undertaken and being diligently pursued in good faith to consummate the Disposition of such Collateral within a commercially reasonable time, but in all cases excluding (i) the establishment of borrowing base reserves, collateral ineligible, or other conditions for advances, (ii) the changing of advance rates or advance sublimits, (iii) the imposition of a default rate or late fee, (iv) the collection and application of accounts or other monies deposited from time to time in deposit accounts, commodities account or securities accounts, in each case, to the extent constituting Revolving Priority Collateral, against the Revolving Obligations pursuant to the provisions of the Revolving Loan Documents (including the notification of account debtors, depository institutions or any other Person to deliver proceeds of Collateral to the Revolving ~~Collateral Agent~~ Lender), (v) the cessation of lending pursuant to the provisions of the Revolving Loan Documents, including upon the occurrence of a default or the existence of an overadvance, (vi) the retention of appraisers, accountants, field examiners or other Persons in accordance with any Notes Document or any Revolving Loan Document, (vii) the filing of a proof of claim in any Insolvency, (viii) the making of Overadvances (as defined in the Revolving Credit Agreement) and Protective Advances (as defined in the Revolving Credit Agreement), and (ix) the acceleration of the Notes Obligations or the Revolving Obligations.

“Existing Indenture” has the meaning set forth in the recitals to this Agreement.

“Existing Revolving Credit Agreement” has the meaning set forth in the recitals to this Agreement.

“FCC” means the Federal Communications Commission and any successor governmental agency performing functions similar to those performed by the Federal Communications Commission on the date hereof.

“FCC License” has the meaning specified in the Revolving Credit Agreement.

“Governmental Authority” means the government of the United States of America or any other nation, any political subdivision thereof, whether state 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.

“Grantors” means the Revolving Borrowers, the Issuer, the Revolving Guarantors, the Notes Guarantors, and each other person that may from time to time execute and deliver a Revolving Collateral Document or a Notes Collateral Document as a “debtor,” “grantor,” or “pledgor” (or the equivalent thereof).

“Hedge Agreements” has the meaning set forth in the Revolving Credit Agreement.

“Hedge Obligations” has the meaning set forth in the Revolving Credit Agreement.

“Hedge Providers” has the meaning set forth in the Revolving Credit Agreement.

“Insolvency Proceeding” means:

- (a) any voluntary or involuntary case or proceeding under any Bankruptcy Law with respect to any Grantor;
- (b) any other voluntary or involuntary insolvency or bankruptcy case or proceeding, or any receivership, liquidation or other similar case or proceeding with respect to any Grantor or with respect to a material portion of its assets;
- (c) any liquidation, dissolution (other than as permitted by the Revolving Loan Documents and the Notes Documents), or winding up of any Grantor whether voluntary or involuntary and whether or not involving insolvency or bankruptcy; or
- (d) any assignment for the benefit of creditors or any other marshaling of assets for creditors of any Grantor or other similar arrangement in respect of such Grantor’s creditors generally.

“Intellectual Property” means the “Intellectual Property” and the “Intellectual Property Licenses” as such terms are defined in the Revolving Guaranty and Security Credit Agreement as in effect on the date hereof.

“Issuer” has the meaning set forth in the recitals to this Agreement.

“Letters of Credit” has the meaning set forth in the Revolving Credit Agreement.

“Lien” means any lien, mortgage, pledge, assignment, security interest, charge, or encumbrance of any kind (including any agreement to give any of the foregoing, any conditional sale or other title retention agreement, and any lease in the nature thereof) and any option, trust, or other preferential arrangement having the practical effect of any of the foregoing.

“Non-Conforming Plan of Reorganization” means any plan of reorganization whose provisions are inconsistent with the provisions of this Agreement, including any plan of reorganization (a) that purports to re-order (whether by subordination, invalidation, or otherwise) or otherwise disregard, in whole or part, the provisions of Section 2 (including the Lien priorities of Section 2.1), the provisions of Section 4, or the provisions of Section 6, unless such plan of reorganization has been accepted by the required vote, if any, of each class of Revolving Claimholders and Notes Claimholders or (b) for which confirmation is sought, with respect to a class of claims consisting of Notes Claimholders or Revolving Claimholders, as applicable, pursuant to section 1129(b) of the Bankruptcy Code.

“Notes Cash Proceeds Notice” shall mean, with respect to any Notes Priority Collateral, a written notice delivered by the Notes Collateral Agent to the Revolving ~~Collateral Agent~~Lender (a) stating that a Notes Default has occurred and is continuing under any Notes Document and specifying the relevant Notes Default and (b) stating that certain cash proceeds from a sale, lease, conveyance or other disposition of such Notes Priority Collateral are expected to be realized, and reasonably identifying the amount of such proceeds and specifying the origin thereof.

“Notes Claimholders” means the Holders (as defined in the Existing Indenture), the Trustee ~~and~~ the Notes Collateral Agent, ~~each Permitted Additional Pari Passu Lien Obligations Agent and each holder of Permitted Additional Pari Passu Lien Obligations.~~

“Notes Collateral Agent” has the meaning set forth in the preamble to this Agreement. The Revolving ~~Collateral Agent~~Lender shall be entitled to treat U.S. Bank National Association as the Notes Collateral Agent until it receives a notice in writing from U.S. Bank National Association that another Person has become the Notes Collateral Agent.

“Notes Collateral” means any and all of the assets and property of any Grantor, whether real, personal or mixed, with respect to which a Lien is granted as security for any Notes Obligations (including, for the avoidance of doubt, any such Notes Collateral that, but for the application of Section 552 of the Bankruptcy Code, would constitute Notes Collateral).

“Notes Collateral Documents” means the Notes Security Agreement and any other agreement pursuant to which a Lien is granted securing any Notes Obligations or under which rights or remedies with respect to such Liens are governed.

“Notes Default” means any “Event of Default,” as such term is defined in the Notes Documents.

“Notes Documents” means the Existing Indenture, the Notes, ~~and~~ the Notes Collateral Documents, ~~each Permitted Additional Pari Passu Lien Obligations Agreement and each document or instrument entered into pursuant to any Permitted Additional Pari Passu Lien Obligations Agreement.~~

“Notes Guarantor” has the meaning set forth in the recitals to this Agreement.

“Notes Obligations” means all obligations and all amounts owing, due, or secured under the Notes Documents, ~~and all Permitted Additional Pari Passu Lien Obligations,~~ whether now existing or arising hereafter, including all principal, premium, interest, fees, attorneys’ fees, costs, charges, expenses, reimbursement obligations, indemnities, guarantees, and all other amounts payable under or secured by or pursuant to any Notes Document (including, in each case, all amounts (including interest) accruing on or after the commencement of any Insolvency Proceeding relating to any Grantor and all amounts that would have accrued or become due under the terms of the Notes Documents but for the effect of the Insolvency Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency Proceeding).

“Notes Pledged Stock” means the capital stock or other equity interests of each Subsidiary of Parent.

“Notes Priority Collateral” means all now owned or hereafter acquired Notes Collateral that constitutes:

- (i) all Notes Pledged Stock;
- (ii) all equipment;
- (iii) all Intellectual Property and FCC Licenses;
- (iv) all Pledged Debt Instruments;
- (v) commercial tort claims to the extent any such claims relate to the Notes Priority Collateral;
- (vi) all general intangibles, instruments, documents, chattel paper, letters-of-credit rights, books and records and supporting obligations related to the foregoing and proceeds (including insurance proceeds) of the foregoing (except to the extent constituting Revolving Priority Collateral);
- (vii) all other goods (including but not limited to fixtures, other than fixtures relating to the Revolving Priority Real Estate Assets) and assets of such Grantor not constituting Revolving Priority Collateral, whether tangible or intangible and wherever located;
- (viii) all Notes Priority Real Estate Assets, including all fixtures relating thereto;
- (ix) all books and records relating to the items referred to in the preceding clauses (i) through (viii) above (including all books, databases, customer lists, and records, whether tangible or electronic, which contain any information relating to any of the items referred to in the preceding clauses (i) through (viii)); and
- (x) subject to Section 3.10 and 3.11, all proceeds of any of the foregoing (except to the extent constituting Revolving Priority Collateral).

“Notes Priority Real Estate Asset” means any fee interest owned by a Grantor having a fair market value (determined in good faith by management of Parent) in excess of \$2.0 million and all fixtures located at or used in connection with the foregoing, other than the Revolving Priority Real Estate Assets.

“Notes Proceeds Accounts” means one or more deposit accounts, commodities account or securities accounts established or maintained by any Grantor or the Notes Collateral Agent or its agent for the sole purpose of holding the identifiable cash proceeds which arise from the Disposition of any Notes Priority Collateral pursuant to an Exercise of Secured Creditor Remedies by any Notes Collateral Agent or other Notes Claimholder, or other sale of Notes Priority Collateral outside the ordinary course of business and which account has been identified in writing to the Revolving ~~Collateral Agent~~Lender as a Notes Proceeds Account.

“Notes Security Agreement” means the Security Agreement, dated as of ~~May 19~~ September 10, 2017 ~~2021~~, by and among the Issuer, the Notes Guarantors and the Notes Collateral Agent.

“Obligations” means, as applicable, (a) all Revolving Obligations and (b) all Notes Obligations.

~~“Permitted Additional Pari Passu Lien Obligations” means Indebtedness of the Issuer or the Notes Guarantors issued following the date of this Agreement to the extent (a) such Indebtedness is not prohibited by the terms of the Revolving Loan Documents, the Notes Documents and each then extant Permitted Additional Pari Passu Lien Obligations Agreement from being secured by Liens on the Collateral ranking pari passu with the Liens securing the Notes, (b) the Guarantors have granted Liens, consistent with clause (a), on the Collateral to secure the obligations in respect of such Indebtedness, and (c) the Permitted Additional Pari Passu Lien Obligations Agent executes a joinder agreement to the Notes Security Agreement in the form attached thereto (“Notes Joinder Agreement”) agreeing to be bound thereby on behalf of the holders under such Permitted Additional Pari Passu Lien Obligations Agreement and acknowledging that such holders shall be bound by the terms hereof applicable to Notes Claimholders.~~

~~“Permitted Additional Pari Passu Lien Obligations Agent” means the Person appointed to act as trustee, agent or representative for the holders of Permitted Additional Pari Passu Lien Obligations pursuant to any Permitted Additional Pari Passu Lien Obligations Agreement.~~

~~“Permitted Additional Pari Passu Lien Obligations Agreement” means the indenture, credit agreement or other agreement under which any Permitted Additional Pari Passu Lien Obligations are incurred.~~

“person” means any natural person, corporation, trust, business trust, joint venture, joint stock company, association, company, limited liability company, partnership, Governmental Authority, or other entity.

“Pledged Collateral” has the meaning set forth in Section 5.4(a).

“Pledged Debt Instruments” means all of Issuer’s and each Notes Guarantor’s interests, rights, powers, and remedies under each promissory note or other debt instrument issued to it or to which it is a party.

“Priority Collateral” with respect to the Revolving Claimholders, all Revolving Priority Collateral, and with respect to the Notes Claimholders, all Notes Priority Collateral.

“Recovery” has the meaning set forth in Section 6.7.

“Refinance” means, in respect of any indebtedness, to refinance, extend, increase, renew, defease, supplement, restructure, replace, refund or repay, or to issue other indebtedness in exchange or replacement for such indebtedness, in whole or in part, whether with the same or different lenders, arrangers and/or agents, whether or not occurring contemporaneously with the payoff of the previously existing indebtedness subject to such transaction. “Refinanced” and “Refinancing” shall have correlative meanings.

“Replacement Revolving Credit Agreement” has the meaning set forth in the definition of “Revolving Credit Agreement”.

“Revolving Borrowers” has the meaning set forth in the recitals to this Agreement.

“Revolving Claimholders” means, at any relevant time, the holders of Revolving Obligations at that time, including the Revolving ~~Lenders and the Revolving Collateral Agent~~ Lender.

“Revolving Collateral” means all of the assets and property of any Grantor, whether real, personal or mixed, with respect to which a Lien is granted as security for any Revolving Obligations (including, for the avoidance of doubt, any such Revolving Collateral that, but for the application of Section 552 of the Bankruptcy Code, would constitute Revolving Collateral).

~~“Revolving Collateral Agent” has the meaning set forth in the preamble to this Agreement. In the case of any Additional Revolving Credit Agreement or Replacement Revolving Credit Agreement, the Revolving Collateral Agent shall be the Person identified as such in the Revolving Joinder Agreement. The Notes Collateral Agent shall be entitled to treat Wells Fargo Bank, National Association as the Revolving Collateral Agent until it receives a notice in writing from Wells Fargo Bank, National Association that another Person has become the Revolving Collateral Agent.~~

“Revolving Collateral Documents” means ~~the Revolving Guaranty and Security Agreement and any other~~ any agreement, document, or instrument pursuant to which a Lien is granted securing any Revolving Obligation or under which rights or remedies with respect to such Liens are governed.

“Revolving Credit Agreement” is a collective reference to (a) the Existing Revolving Credit Agreement, (b) any Additional Revolving Credit Agreement and (c) any other credit agreement, loan agreement, note agreement, promissory note, indenture or other agreement or instrument evidencing or governing the terms of any indebtedness or other financial accommodation that is permitted to be secured on a pari passu basis with the Existing Revolving Credit Agreement by the Revolving Priority Collateral pursuant to the Notes Documents and the Revolving Loan Documents and that has at any time been incurred to extend, replace, Refinance or refund in whole or in part the indebtedness and other obligations outstanding under the Existing Revolving Credit Agreement (regardless of whether such replacement, refunding or Refinancing (i) is a “working capital” facility, asset-based facility, revolving loan facility, term loan facility or otherwise or (ii) was entered into after the Discharge of Revolving Obligations), any Additional Revolving Credit Agreement or any other agreement or instrument referred to in this clause (c) unless such agreement or instrument expressly provides that it is not intended to be and is not a Revolving Credit Agreement hereunder (a “Replacement Revolving Credit Agreement”). Any reference to the Revolving Credit Agreement hereunder shall be deemed a reference to any Revolving Credit Agreement then extant.

“Revolving Default” means any “Event of Default”, as such term is defined in the Revolving Credit Agreement.

“Revolving Guarantors” has the meaning set forth in the recitals to this Agreement.

“Revolving Lenders” means the “Revolving Lenders” or any comparable term as defined in the Revolving Credit Agreement.

“Revolving Lender” has the meaning set forth in the preamble to this Agreement. In the case of any Additional Revolving Credit Agreement or Replacement Revolving Credit Agreement, the Revolving Lender shall be the Person identified as such in the Revolving Joinder Agreement. The Notes Collateral Agent shall be entitled to treat Siena Lending Group LLC as the Revolving Lender until it receives a notice in writing from Siena Lending Group LLC that another Person has become the Revolving Lender.

“Revolving Loan Documents” means the Revolving Credit Agreement, the Revolving Collateral Documents, and each of the other Loan Documents (as defined in the Revolving Credit Agreement). Any reference to any Revolving Loan Document hereunder shall be deemed a reference to any Revolving Loan Document then extant.

“Revolving Obligations” means the “Obligations” or any comparable term as that term is defined in the Revolving Credit Agreement, whether now existing or arising hereafter, including all principal, premium, interest, fees, attorneys fees, costs, charges, expenses, reimbursement obligations, indemnities, guarantees, and all other amounts payable under or secured by or pursuant to any Revolving Loan Document (including, in each case, all amounts (including interest) accruing on or after the commencement of any Insolvency Proceeding relating to any Grantor and all amounts that would have accrued or become due under the terms of the Revolving Loan Documents but for the effect of the Insolvency Proceeding and irrespective of whether a claim for all or any portion of such amounts is allowable or allowed in such Insolvency Proceeding).

“Revolving Priority Collateral” means all now owned or hereafter acquired Revolving Collateral that constitutes:

(i) all accounts, payment intangibles, accounts receivable, and other receivables (including credit card receivables, and other receivables, whether consisting of accounts receivables or general intangibles) and all other rights to payment (in each case including any such rights to payment for property sold, leased, licensed or otherwise disposed of or for services rendered or to be rendered (including rights to payment arising from services rendered or from the sale, lease, license, use or other disposition of inventory, broadcasting, advertising, commercials, and other time on any broadcast station or in any publications, or programming, the licensing of general intangibles, Intellectual Property, or time on any broadcast station)), in each case, whether such rights to payment constitute accounts, payment intangibles, general intangibles, letter-of-credit rights or any other classification of property, or are evidenced in whole or in part by instruments, chattel paper or documents, except, in each case, Pledged Debt Instruments;

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- (ii) all inventory;
 - (iii) all (x) deposit accounts and money and all cash, checks, other negotiable instruments, funds and other evidences of payments held therein, (y) securities accounts and security entitlements and securities credited thereto, and (z) commodity accounts and commodity contracts credited thereto, and, in each case, all cash, checks and other property held therein or credited thereto);
 - (iv) all money, cash, cash equivalents, and tax refunds, other than tax refunds solely relating to real property, equipment and Intellectual Property;
 - (v) all claims under policies of casualty insurance and all proceeds of casualty insurance, in each case, payable by reason of loss or damage to any Revolving Priority Collateral and all proceeds of business interruption insurance;
 - (vi) commercial tort claims to the extent any such claims relate to the Revolving Priority Collateral;
 - (vii) all Revolving Priority Real Estate Assets, including all fixtures relating thereto;
 - (viii) all general intangibles, instruments, documents, chattel paper, letters-of-credit rights and supporting obligations related to the foregoing;
 - (ix) all books and records relating to the items referred to in the preceding clauses (i) through (viii) above (including all books, databases, customer lists, and records, whether tangible or electronic, which contain any information relating to any of the items referred to in the preceding clauses (i) through (viii)); and
 - (x) all proceeds (including insurance proceeds) of any of the foregoing;

provided that in no case shall Revolving Priority Collateral include (x) any identifiable cash proceeds ~~or right to payment~~ from a sale of any Notes Priority Collateral ~~which sale occurs after receipt by the Revolving Collateral Agent of a Notes Cash Proceeds Notice with respect to such proceeds in accordance with Section 3.10 hereof.~~ *provided*, however, that in no event shall such cash proceeds under this clause (x) include cash proceeds of any Revolving Priority Collateral described in preceding clause (i) of this definition (or proceeds thereof) which (1) is created in the ordinary course of business or of the type included in the borrowing base under the Existing Revolving Credit Agreement as in effect on the date hereof, (2) arises out of the sale of goods (other than equipment) or rendition of services, (3) arises from the sale (other than an outright sale of any Intellectual Property or FCC License in their entirety), lease, license, use, provision, or other disposition of broadcasting, advertising, commercials, or other air time or space on any broadcast station or in any publication (whether print, digital, online, or otherwise), or programming, the licensing of general intangibles,

programming, proprietary content, Intellectual Property, or time on any broadcast station, (4) arises from or represents broadcasting, advertising, or publishing revenue, (5) arises out of local marketing, joint sales, or shared services arrangements, agreements with advertising exchanges, affiliation agreements, or content, publishing or broadcasting clearances or licenses, (6) arises out of the public display or performance of proprietary content or advertising, (7) arises out of promotional events, concerts or performances, (8) arises out of subscriptions or licensing of content (including web-based, audio, print, and digital content), (9) arises out of amounts at any time payable in respect of the sale or other Disposition of any Account or other right to payment under clause (i) of this definition, or (10) represents rights to payment for interest, fees, late charges, penalties, collection fees, and other amounts due or to become due or otherwise payable in connection with any Account or other right to payment under clause (i) of this definition, or (y) any such proceeds of any Notes Priority Collateral held in a Notes Proceeds Account in accordance with [Section 3.11](#) hereof.

“Revolving Priority Real Estate Assets” means owned real estate located at 4880 Santa Rosa Road, Camarillo, California 93012 ~~and~~, 6400 N. Belt Line Road, Suite 120, Irving, Texas 75063, [and 1154-1160 N. King Street, Honolulu \(Oahu\), HI](#), and all fixtures located at or used in connection with the foregoing.

“Subsidiary” of a person means a corporation, partnership, limited liability company, or other entity in which that person directly or indirectly owns or controls at least 50% of the shares of capital stock having ordinary voting power to vote in the election of directors (or appoint other comparable managers) of such corporation, partnership, limited liability company, or other entity.

“Term/Notes DIP Financing” has the meaning set forth in [Section 6.2](#).

“UCC” means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in any applicable jurisdiction.

“Use Period” means, (y) with respect to the Notes Priority Collateral, the period, after the commencement of an Enforcement Period by the Revolving [Collateral Agent Lender](#), which begins on the day on which the Revolving [Collateral Agent Lender](#) provides the Notes Collateral Agent with an Enforcement Notice and ending on the earlier to occur of (i) 270 days thereafter, (ii) the Discharge of Revolving Obligations, and (iii) the waiver in writing by the applicable Revolving Claimholders of a default that gave rise to such Enforcement Notice and (z) with respect to the Revolving Priority Collateral, the period, after the commencement of an Enforcement Period by the Notes Collateral Agent, which begins on the day on which the Notes Collateral Agent provides the Revolving [Collateral Agent Lender](#) with an Enforcement Notice and ending on the earlier to occur of (i) 270 days thereafter, (ii) the Discharge of Notes Obligations and (iii) the waiver in writing by the applicable Notes Claimholders of a default that gave rise to such Enforcement Notice. If any stay or other order that prohibits any of the Revolving [Collateral Agent Lender](#), the other Revolving Claimholders, Notes Collateral Agent and the Notes Claimholders from commencing and continuing to Exercise any Secured Creditor Remedies or to liquidate and sell the Revolving Priority Collateral or Notes Priority Collateral, as applicable, has occurred by operation of law or has been entered by a court of competent

jurisdiction, such 270-day period shall be tolled during the pendency of any such stay or other order and the Use Period shall be so extended and upon lifting of the automatic stay, if there are fewer than 120 days remaining in such 270 day period, than such 270 day period shall be extended so that the Revolving ~~Collateral Agent~~ Lender, the Revolving Claimholders, Notes Collateral Agent and the Notes Claimholders have 120 days upon lifting of the automatic stay.

1.3 Construction. The definitions of terms in this Agreement shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. The words “include,” “includes,” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” The term “or” shall be construed to have, except where otherwise indicated, the inclusive meaning represented by the phrase “and/or.” Unless the context requires otherwise:

(a) except as otherwise provided herein, any definition of or reference to any agreement, instrument, or other document herein shall be construed as referring to such agreement, instrument, or other document as from time to time amended, restated, supplemented, modified, renewed, extended, Refinanced, refunded, or replaced;

(b) any reference to any agreement, instrument, or other document herein “as in effect on the date hereof” shall be construed as referring to such agreement, instrument, or other document without giving effect to any amendment, restatement, supplement, modification, or Refinance after the date hereof;

(c) any definition of or reference to Revolving Obligations or Notes Obligations herein shall be construed as referring to the Revolving Obligations or Notes Obligations (as applicable) as from time to time amended, restated, supplemented, modified, renewed, extended, Refinanced, refunded, or replaced;

(d) any reference herein to any person shall be construed to include such person’s successors and assigns;

(e) the words “herein,” “hereof,” and “hereunder,” and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof;

(f) all references herein to Sections shall be construed to refer to Sections of this Agreement; and

(g) 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, securities, accounts, and contract rights.

SECTION 2. Lien Priorities.

2.1 Relative Priorities. Notwithstanding the date, time, method, manner, or order of grant, attachment, or perfection of any Liens securing (or purportedly securing) the Revolving Obligations with respect to the Collateral or of any Liens securing (or purportedly securing) the Notes Obligations with respect to the Collateral (including, in each case, irrespective of whether any such Lien is granted (or secures Obligations relating to the period) before or after the commencement of any Insolvency Proceeding) and notwithstanding any contrary provision of the UCC or any other applicable law or the Revolving Loan Documents or the Notes Documents, as applicable, or any defect or deficiencies in, or failure to attach or perfect, the Liens securing (or purportedly securing) any of the Obligations, or any other circumstance whatsoever, the Notes Collateral Agent and the Revolving ~~Collateral Agent~~Lender hereby agree that:

(a) any Lien with respect to the Revolving Priority Collateral securing any Revolving Obligations now or hereafter held by or on behalf of, or created for the benefit of, the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholders or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be senior in all respects and prior to any Lien with respect to the Revolving Priority Collateral securing any Notes Obligations;

(b) any Lien with respect to the Notes Priority Collateral securing any Notes Obligations now or hereafter held by or on behalf of, or created for the benefit of, the Notes Collateral Agent or any Notes Claimholders or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be senior in all respects and prior to any Lien with respect to the Notes Priority Collateral securing any Revolving Obligations;

(c) any Lien with respect to the Revolving Priority Collateral securing any Notes Obligations now or hereafter held by or on behalf of, or created for the benefit of, the Notes Collateral Agent, any Notes Claimholders or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens with respect to the Revolving Priority Collateral securing any Revolving Obligations; and

(d) any Lien with respect to the Notes Priority Collateral securing any Revolving Obligations now or hereafter held by or on behalf of, or created for the benefit of, the Revolving ~~Collateral Agent~~Lender, any Revolving Claimholders or any agent or trustee therefor, regardless of how or when acquired, whether by grant, possession, statute, operation of law, subrogation or otherwise, shall be junior and subordinate in all respects to all Liens with respect to the Notes Priority Collateral securing any Notes Obligations.

The subordination of Liens provided for in this Agreement shall continue to be effective with respect to any part of the Collateral from and after the date hereof whether such Liens are avoided, declared, or ruled to be, invalid, unenforceable, void, equitably subordinated or not allowed by a court of competent jurisdiction, as a result of any action taken by any Notes Claimholder or any Revolving Claimholder, as applicable, or any failure by such person to take any action, with respect to any financing statement (including any amendment to or continuation thereof), mortgage or other perfection document or requirement.

2.2 Prohibition on Contesting Liens. Each of the Notes Collateral Agent, for itself and on behalf of each Notes Claimholder, and the Revolving ~~Collateral Agent~~Lender, for itself and on behalf of each Revolving Claimholder, agrees that it will not (and hereby waives any right to), directly or indirectly, whether in its capacity as Notes Collateral Agent, Revolving ~~Collateral Agent~~Lender, Notes Claimholder, Revolving Claimholder or unsecured creditor, contest, or support any other person in contesting, in any proceeding (including any Insolvency Proceeding): (a) the priority, validity, or enforceability of a Lien in the Collateral, held by or on behalf of the Revolving ~~Collateral Agent~~Lender or any other Revolving Claimholders or by or on behalf of the Notes Collateral Agent or any other Notes Claimholders, (b) the priority, validity or enforceability of any Obligations, including the allowability or priority of any Obligations in any Insolvency Proceeding, or (c) the provisions of, enforceability of and the applicability of this Agreement (including by voting for or supporting confirmation of a Non-Conforming Plan of Reorganization); provided, however, that nothing in this Agreement shall be construed to prevent or impair the rights of the Revolving ~~Collateral Agent~~Lender, any Revolving Claimholder, the Notes Collateral Agent or any Notes Claimholder to enforce the terms of this Agreement, including the provisions of this Agreement relating to the priority of the Liens in the Collateral securing the Revolving Obligations and the Notes Obligations, as applicable, as provided in this Section 2.

2.3 New Liens. During the term of this Agreement, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, the parties hereto agree, subject to Section 6, that no Grantor shall:

(a) grant or suffer to exist any Liens on any asset to secure any Notes Obligation unless such Grantor also offers to grant, and, at the option of the Revolving ~~Collateral Agent~~Lender, grants a Lien on such asset to secure the Revolving Obligations concurrently with the grant of a Lien thereon in favor of the Notes Collateral Agent in accordance with the priorities set forth in this Agreement; or

(b) grant or suffer to exist any Liens on any asset to secure any Revolving Obligations unless such Grantor grants a Lien on such asset to secure the Notes Obligations concurrently with the grant of a Lien thereon in favor of the Revolving ~~Collateral Agent~~Lender in accordance with the priorities set forth in this Agreement.

To the extent that the foregoing provisions are not complied with for any reason, without limiting any other rights and remedies available to the Revolving ~~Collateral Agent or~~Lender or Revolving Claimholders, the Notes Collateral Agent, on behalf of the Notes Claimholders, agrees that any amounts received by or distributed to any of them pursuant to or as a result of Liens granted in contravention of this Section 2.3 shall be subject to Section 4.2, and without limiting any other rights and remedies available to the Notes Collateral Agent or Notes Claimholders, the Revolving~~Collateral Agent~~Lender, on behalf of the Revolving Claimholders, agrees that any amounts received by or distributed to any of them pursuant to or as a result of Liens granted in contravention of this Section 2.3 shall be subject to Section 4.2.

2.4 Cooperation in Designating Collateral. In furtherance of Section 9.8, the Notes Collateral Agent and the Revolving ~~Collateral Agent~~Lender agree to and each Grantor shall, in each case subject to the other provisions of this Agreement upon request by the Revolving ~~Collateral Agent~~Lender or the Notes Collateral Agent, cooperate in good faith (and to direct their counsel to cooperate in good faith) from time to time in order to determine the specific items included in the Revolving Priority Collateral and the Notes Priority Collateral and the steps taken or to be taken to perfect their respective Liens thereon and the identity of the respective parties obligated under the Revolving Loan Documents and the Notes Documents.

SECTION 3. Exercise of Remedies.

3.1 Exercise of Remedies by the Notes Collateral Agent. Until the Discharge of Revolving Obligations has occurred, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, the Notes Collateral Agent and Notes Claimholders:

(a) will not exercise or seek to exercise any rights or remedies with respect to any Revolving Priority Collateral (including any Exercise of Secured Creditor Remedies with respect to any Revolving Priority Collateral);

(b) subject to Section 3.4, will not directly or indirectly contest, protest, or object to or hinder any Exercise of Secured Creditor Remedies by the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholder with respect to any Revolving Priority Collateral and have no right to direct the Revolving ~~Collateral Agent~~Lender to Exercise any Secured Creditor Remedies with respect to any Revolving Priority Collateral or take any other action under the Revolving Loan Documents with respect to any Revolving Priority Collateral; and

(c) will not object to (and waive any and all claims with respect to) the forbearance by the Revolving ~~Collateral Agent~~Lender or Revolving Claimholders from Exercising any Secured Creditor Remedies with respect to any Revolving Priority Collateral.

3.2 Exercise of Remedies by the Revolving ~~Collateral Agent~~Lender. Until the Discharge of Notes Obligations has occurred, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, the Revolving ~~Collateral Agent~~Lender and Revolving Claimholders:

(a) subject to Section 3.8, will not exercise or seek to exercise any rights or remedies with respect to any Notes Priority Collateral (including any Exercise of Secured Creditor Remedies with respect to any Notes Priority Collateral);

(b) subject to Section 3.4, will not directly or indirectly contest, protest, or object to or hinder any Exercise of Secured Creditor Remedies by the Notes Collateral Agent or any Notes Claimholder with respect to any Notes Priority Collateral and has no right to direct the Notes Collateral Agent to Exercise any Secured Creditor Remedies with respect to any Notes Priority Collateral or take any other action under the Notes Documents with respect to any Notes Priority Collateral; and

(c) will not object to (and waives any and all claims with respect to) the forbearance by the Notes Collateral Agent or any Notes Claimholder from Exercising any Secured Creditor Remedies with respect to any Notes Priority Collateral.

3.3 Exclusive Enforcement Rights. (a) Until the Discharge of Revolving Obligations has occurred, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, the Revolving ~~Collateral Agent~~Lender shall have the exclusive right to exercise any remedies, (including Exercise any Secured Creditor Remedies) with respect to the Revolving Priority Collateral without any consultation with or the consent of the Notes Collateral Agent or any Notes Claimholder and (b) until the Discharge of Notes Obligations has occurred, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, the Notes Collateral Agent shall have the exclusive right to exercise any remedies, (including Exercise any Secured Creditor Remedies) with respect to the Notes Priority Collateral without any consultation with or the consent of the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholder. In connection with any Exercise of Secured Creditor Remedies, each of the Notes Collateral Agent, the Notes Claimholders, the Revolving ~~Collateral Agent~~Lender and the Revolving Claimholders may enforce the provisions of the Notes Collateral Documents or Revolving Collateral Documents, as applicable, and exercise rights, powers and remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion. Such exercise and enforcement shall include the rights of an agent appointed by them to Dispose of its Collateral, to incur expenses in connection with such Disposition, and to exercise all the rights and remedies of a secured creditor under applicable law.

3.4 Claimholders Permitted Actions. Anything to the contrary in Sections 3.1 and 3.2 notwithstanding, each of the Notes Collateral Agent and the Revolving ~~Collateral Agent~~Lender may:

(a) if an Insolvency Proceeding has been commenced by or against any Grantor, file a proof of claim or statement of interest with respect to its Collateral or otherwise with respect to the Notes Obligations or the Revolving Obligations, as the case may be;

(b) take any action (not adverse to the priority status of the Liens on the Collateral of the other, or the rights of the other or any Claimholders to Exercise any Secured Creditor Remedies) in order to create, perfect, preserve or protect (but not enforce) its Lien in and to its Collateral, including any FCC License of any Grantor;

(c) file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding, or other pleading made by any person objecting to or otherwise seeking the disallowance of its claims or its Claimholders;

(d) make any arguments and motions that are, in each case, in accordance with, the terms of this Agreement;

(e) join (but not exercise any control with respect to) any judicial foreclosure proceeding or other judicial lien enforcement proceeding with respect to the Priority Collateral of the other party initiated by such other party to the extent that any such action could not reasonably be expected, in any material respect, to restrain, hinder, limit, delay or otherwise interfere with the Exercise of Secured Creditor Remedies by such other party (it being understood that, (a) with respect to Revolving Priority Collateral, neither the Notes Collateral Agent nor any Notes Claimholder shall be entitled to receive any

proceeds thereof from any Exercise of Secured Creditor Remedies with respect thereto unless otherwise expressly permitted herein and (b) with respect to Notes Priority Collateral, neither the Revolving ~~Collateral Agent~~Lender nor any Revolving Claimholder shall be entitled to receive any proceeds thereof from any Exercise of Secured Creditor Remedies with respect thereto unless otherwise expressly permitted herein);

(f) file any pleadings, objections, motions or agreements which assert rights or interests available to unsecured creditors of the Grantors arising under either any Insolvency Proceeding or applicable non-bankruptcy law, in each case not inconsistent with the terms of this Agreement or applicable law (including the Bankruptcy Laws of any applicable jurisdiction); provided, that neither party shall take any action which such party is prohibited from taking pursuant to this Agreement, including under Section 2.2;

(g) take any action described in clauses (i) through ~~(ix)~~ of the definition of "Exercise of Secured Creditor Remedies."; and

(h) vote on any Plan of Reorganization that is consistent with the terms of this Agreement;provided, however, that no Revolving Claimholder or Notes Claimholder may cast any vote to accept or take any other act to support the confirmation of any Non-Conforming Plan of Reorganization, and pursuant to Section 9.14 of this Agreement, the Revolving ~~Collateral Agent~~Lender and Notes Collateral Agent, as applicable, shall be entitled to demand specific performance of this provision and obtain an order directing a Notes Claimholder or Revolving Claimholder, as applicable that votes in favor of any Non-Conforming Plan of Reorganization to change its vote and vote against any Non-Conforming Plan of Reorganization.

Except as expressly set forth in this Agreement, each Notes Claimholder and each Revolving Claimholder shall otherwise have any and all rights and remedies it may have as a creditor under any applicable law, including the right to the Exercise of Secured Creditor Remedies; provided, however, that the Exercise of Secured Creditor Remedies with respect to the Collateral (and any judgment Lien obtained in connection therewith) shall be subject to the Lien priorities set forth herein and to the provisions of this Agreement. Subject to Section 3.7, the Revolving ~~Collateral Agent~~Lender may enforce the provisions of the Revolving Loan Documents, the Notes Collateral Agent may enforce the provisions of the Notes Documents and each may Exercise any Secured Creditor Remedies, all in such order and in such manner as each may determine in the exercise of its sole discretion, consistent with the terms of this Agreement and mandatory provisions of applicable law; provided, however, that each of the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent agrees to use commercially reasonable efforts to provide to the other (x) an Enforcement Notice prior to its Exercise of Secured Creditor Remedies and (y) copies of any notices that it is required under applicable law to deliver to any Grantor in connection with any Exercise of Secured Creditor Remedies with respect to any Collateral; provided, further, however, that the Revolving ~~Collateral Agent's~~Lender's failure to provide copies of any such notices to the Notes Collateral Agent shall not impair any of the Revolving ~~Collateral Agent's~~Lender's rights hereunder or under any of the Revolving Loan Documents and the Notes Collateral Agent's failure to provide copies of any such notices to the Revolving ~~Collateral Agent~~Lender shall not impair any of the Notes Collateral Agent's rights hereunder or under any of the Notes Documents. Each of the Notes Collateral Agent, each Notes

Claimholder, the Revolving ~~Co~~lateral Agent Lender and each Revolving Claimholder agrees that it will not institute any suit or other proceeding or assert in any suit, Insolvency Proceeding or other proceeding any claim, in the case of the Notes Collateral Agent and each Notes Claimholder, against either the Revolving ~~Co~~lateral Agent Lender or any other Revolving Claimholder, and in the case of the Revolving ~~Co~~lateral Agent Lender and each other Revolving Claimholder, against either the Notes Collateral Agent or any other Notes Claimholder, seeking damages from or other relief by way of specific performance, instructions or otherwise, with respect to, any action taken or omitted to be taken by such person with respect to the Collateral which is consistent with the terms of this Agreement, and none of such parties shall be liable for any such action taken or omitted to be taken.

3.5 Retention of Proceeds.

(a) In connection with an Exercise of Secured Creditor Remedies, the Notes Collateral Agent agrees that prior to the Discharge of the Revolving Obligations, the Notes Claimholders will only be entitled to retain proceeds of Notes Priority Collateral to the extent such exercise is not prohibited under Section 3.1 above. The Notes Claimholders shall not be permitted to retain any proceeds of Revolving Priority Collateral in connection with any Exercise of Secured Creditor Remedies in any circumstance unless and until the Discharge of the Revolving Obligations has occurred, and any such proceeds received or retained in any other circumstance will be subject to Section 4.2.

(b) In connection with an Exercise of Secured Creditor Remedies, the Revolving ~~Co~~lateral Agent Lender agrees that prior to the Discharge of the Notes Obligations, Revolving Claimholders will only be entitled to retain proceeds of Revolving Priority Collateral to the extent such exercise is not prohibited under Section 3.2 above. The Revolving Claimholders shall not be permitted to retain any proceeds of Notes Priority Collateral in connection with any Exercise of Secured Creditor Remedies in any circumstance unless and until the Discharge of the Notes Obligations has occurred, and any such proceeds received or retained in any other circumstance will be subject to Section 4.2.

(c) Notwithstanding anything contained in this Agreement to the contrary, in the event of any Disposition or series of related Dispositions in connection with an Exercise of Secured Creditor Remedies that includes both Revolving Priority Collateral and Notes Priority Collateral, the Revolving ~~Co~~lateral Agent Lender and the Notes Collateral Agent shall use commercially reasonable efforts in good faith to allocate the proceeds of such Disposition to the Revolving Priority Collateral and the Notes Priority Collateral. If the Revolving ~~Co~~lateral Agent Lender and the Notes Collateral Agent are unable to agree on such allocation within five (5) Business Days (or such other period of time as the Revolving ~~Co~~lateral Agent Lender and the Notes Collateral Agent agree) of the consummation of such Disposition with respect to such Collateral, the portion of such proceeds that shall be allocated as proceeds of Revolving Priority Collateral for purposes of this Agreement shall be an amount equal to (i) the net book value of such Revolving Priority Collateral consisting of accounts, and (ii) to the extent the proceeds of Revolving Priority Collateral include proceeds of Collateral other than accounts, the fair market

value of such other Collateral, provided, that if proceeds of Collateral received in connection with (or otherwise attributable to the value of) the sale or other disposition of all or substantially all of the equity interests of any Grantor or all or substantially all of the assets of any Grantor, and such Grantor does not have an ownership interest in or rights to the Revolving Priority Collateral referenced in subclauses (i) and (ii), but a direct or indirect wholly owned Subsidiary of such Grantor, which itself is a Grantor, does have an ownership interest or rights therein, then, in such case, such Revolving Priority Collateral of such "Grantor" shall include the Revolving Priority Collateral of such Subsidiary.

3.6 Non-Interference. Subject to Sections 3.1, 3.2, 3.3, 3.4 and 6.5(a) and (b), each of the Notes Collateral Agent, for itself and on behalf of the Notes Claimholders, and the Revolving ~~Collateral Agent~~Lender, for itself and on behalf of the Revolving Claimholders, hereby:

(a) agrees that it will not, directly or indirectly, take any action that would restrain, hinder, limit, delay, or otherwise interfere with any Exercise of Secured Creditor Remedies by the other with respect to such other party's Priority Collateral, or that is otherwise prohibited hereunder, including any Disposition of such other person's Priority Collateral, whether by foreclosure or otherwise; and

(b) waives any and all rights it or its Claimholders may have as a junior lien creditor or otherwise to object to the manner in which such other party seeks to enforce or collect such other party's respective Obligations or the Liens securing such Obligations granted in any of such other party's Priority Collateral, regardless of whether any action or failure to act by or on behalf of such other person is adverse to the interest of it or its Claimholder.

3.7 Commercially Reasonable Dispositions. The Notes Collateral Agent, for itself and on behalf of the Notes Claimholders, hereby irrevocably, absolutely, and unconditionally waives any right to object (and seek or be awarded any relief of any nature whatsoever based on any such objection), at any time prior or subsequent to any disposition conducted in good faith of any of the Revolving Priority Collateral, on the ground(s) that any such disposition of Revolving Priority Collateral (a) would not be or was not "commercially reasonable" within the meaning of any applicable UCC and/or (b) would not or did not comply with any other requirement under any applicable UCC or under any other applicable law governing the manner in which a secured creditor (including one with a Lien on real property) is to realize on its collateral. The Revolving ~~Collateral Agent~~Lender, for itself and on behalf of the Revolving Claimholders, hereby irrevocably, absolutely and unconditionally waives any right to object (and seek or be awarded any relief of any nature whatsoever based on any such objection), at any time prior to or subsequent to any disposition conducted in good faith of any Notes Priority Collateral, on the ground(s) that any such disposition of Notes Priority Collateral (a) would not be or was not "commercially reasonable" within the meaning of any applicable UCC and/or (b) would not or did not comply with any other requirement under any applicable UCC or under any other applicable law governing the manner in which a secured creditor (including one with a Lien on real property) is to realize on its collateral.

3.8 Inspection and Access Rights.

(a) If the Notes Collateral Agent, or any agent or representative of the Notes Collateral Agent, or any receiver, shall, after the occurrence and during the continuance of a Notes Default, obtain possession or physical control of any of the real properties subject to the Notes Collateral Documents or any other tangible Notes Priority Collateral or control over any intangible Notes Priority Collateral, the Notes Collateral Agent shall promptly notify the Revolving ~~Collateral Agent~~Lender in writing of that fact. If the Notes Collateral Agent, or any agent or representative of the Notes Collateral Agent, or any receiver, shall, after the occurrence and during the continuance of a Notes Default, subsequent to obtaining any required prior FCC approval in accordance with the Communications Laws, obtain possession or physical control of any broadcast station or FCC License of the Grantors, the Notes Collateral Agent, or any such agent or representative, shall use commercially reasonable efforts to operate such broadcast station in compliance in all material respects with the Grantor's FCC Licenses, the Communications Laws and to maintain, in all material respects, control over such broadcast station's finances personnel, and programming, a main studio with respect to such station, such station's transmission equipment and facilities, and access to utilities to such station, in each case to permit the normal operation of such broadcast station; *provided that*, nothing in this Agreement shall obligate the Notes Collateral Agent to obtain possession or physical control over any broadcast station or FCC License. If the Revolving ~~Collateral Agent~~Lender, or any agent or representative of the Revolving ~~Collateral Agent~~Lender, shall, after the occurrence and during the continuance of a Revolving Default, obtain possession or physical control of any of the real properties subject to the Revolving Collateral Documents, or any other tangible Revolving Priority Collateral or control over any intangible Revolving Priority Collateral, the Revolving ~~Collateral Agent~~Lender shall promptly notify the Notes Collateral Agent in writing of that fact.

(b) (i) Without limiting any rights the Revolving ~~Collateral Agent~~Lender or any other Revolving Claimholder may otherwise have under applicable law or by agreement, whether or not the Notes Collateral Agent or any other Notes Claimholder has commenced and is continuing to Exercise any Secured Creditor Remedies of the Notes Collateral Agent, the Revolving ~~Collateral Agent~~Lender or any other Person (including any Grantor) acting with the consent, or on behalf, of the Revolving ~~Collateral Agent~~Lender, shall have the right (a) during the Use Period or otherwise in connection with the conducting of audits and appraisals, during normal business hours on any Business Day, to access Revolving Priority Collateral that (i) is stored or located in or on, or (ii) has become an accession with respect to (within the meaning of Section 9-335 of the Uniform Commercial Code), or (iii) has been commingled with (within the meaning of Section 9-336 of the Uniform Commercial Code), Notes Priority Collateral, and (b) during the Use Period, shall have an irrevocable, non-exclusive right and a royalty-free and rent-free license and right to use any Notes Priority Collateral (including equipment, fixtures, Intellectual Property, general intangibles, documents, real property and machinery, processors, computers and other equipment related to the storage or processing of records, documents or files or conduct of business or operations), each of the foregoing in order to assemble, inspect, copy or download information stored on, take action to perfect its Liens on, complete a production run of inventory, collect or otherwise realize upon any accounts or other rights to payment included in the Revolving Priority

Collateral (including the right to broadcast time at any broadcast stations of the Grantors and to place for its own account commercial time, advertising or other programming at any such broadcast station such advertising or other programming subject to Grantors' ultimate approval to the extent required by the FCC), in each case, in accordance with the Communication Laws, take possession of, move, prepare and advertise for sale, sell (by public auction, private sale or other sale, whether in bulk, in lots or to customers in the ordinary course of business or otherwise), store or otherwise deal with the Revolving Priority Collateral, in each case without notice to, the involvement of or interference by any Notes Claimholder or liability to any Notes Claimholder. In the event that any Revolving Claimholder has commenced and is continuing to Exercise any Secured Creditor Remedies with respect to any Revolving Priority Collateral or any other sale or liquidation of the Revolving Priority Collateral has been commenced by an Grantor (with the consent of the Revolving ~~Collateral Agent~~Lender), the Notes Collateral Agent may not sell, assign or otherwise transfer the related Notes Priority Collateral prior to the expiration of the Use Period, unless the purchaser, assignee or transferee thereof agrees to be bound by the provisions of this Section 3.8.

(ii) Without limiting any rights the Notes Collateral Agent or any other Notes Claimholder may otherwise have under applicable law or by agreement, whether or not the Revolving ~~Collateral Agent~~Lender or any other Revolving Claimholder has commenced and is continuing to Exercise any Secured Creditor Remedies of the Revolving ~~Collateral Agent~~Lender, the Notes Collateral Agent or any other Person (including any Grantor) acting with the consent, or on behalf, of the Notes Collateral Agent, shall have the right during the Use Period, during normal business hours on any Business Day, to access Notes Priority Collateral that is stored or located in or on, any Revolving Priority Real Estate Asset, in order to assemble, inspect, copy or download information stored on, take action to perfect its Liens on, collect or otherwise realize upon any Notes Priority Collateral, in each case, in accordance with the Communication Laws, take possession of, move, prepare and advertise for sale, sell (by public auction, private sale or other sale, whether in bulk, in lots or to customers in the ordinary course of business or otherwise), store or otherwise deal with the Notes Priority Collateral, in each case without notice to, the involvement of or interference by any Revolving Claimholder or liability to any Revolving Claimholder.

(c) (i) During the period of actual occupation, use and/or control by the Revolving Claimholders and/or the Revolving ~~Collateral Agent~~Lender (or their respective employees, agents, advisers and representatives) of any Notes Priority Collateral pursuant to this Section 3.8, the Revolving Claimholders and the Revolving ~~Collateral Agent~~Lender shall be obligated to repair at their expense any physical damage (but not any ordinary wear-and-tear) to such Notes Priority Collateral resulting from such occupancy, use or control, and to leave such Notes Priority Collateral in substantially the same condition as it was at the commencement of such occupancy, use or control, ordinary wear and tear excepted (or otherwise reimburse the Notes Claimholders for any such physical damage to any Notes Priority Collateral (ordinary wear-and-tear excepted) caused by the acts or omissions of the Revolving Claimholders and/or the Revolving ~~Collateral Agent~~Lender (or their respective employees, agents, advisers and representatives)). Notwithstanding the foregoing, in no event shall the Revolving

Claimholders or the Revolving ~~Collateral Agent~~Lender have any liability to the Notes Claimholders and/or to the Notes Collateral Agent pursuant to this Section 3.8 as a result of any condition (including any environmental condition, claim or liability) on or with respect to the Notes Priority Collateral existing prior to the date of the exercise by the Revolving Claimholders (or the Revolving ~~Collateral Agent~~Lender, as the case may be) of their rights under Section 3.8 and the Revolving Claimholders shall have no duty or liability to maintain the Notes Priority Collateral in a condition or manner better than that in which it was maintained prior to the use thereof by the Revolving Claimholders, or for any diminution in the value of the Notes Priority Collateral that results from ordinary wear and tear resulting from the use of the Notes Priority Collateral by the Revolving Claimholders in the manner and for the time periods specified under this Section 3.8. Without limiting the rights granted in this Section 3.8, the Revolving Claimholders and the Revolving ~~Collateral Agent~~Lender shall cooperate with the Notes Claimholders and/or the Notes Collateral Agent in connection with any efforts made by the Notes Claimholders and/or the Notes Collateral Agent to sell the Notes Priority Collateral.

(ii) During the period of actual occupation, use and/or control by the Notes Claimholders and/or the Notes Collateral Agent (or their respective employees, agents, advisers and representatives) of any Revolving Priority Real Estate Asset pursuant to this Section 3.8, the Notes Claimholders and the Notes Collateral Agent shall be obligated to repair at their expense any physical damage (but not any ordinary wear-and-tear) to such Revolving Priority Real Estate Asset resulting from such occupancy, use or control, and to leave such Revolving Priority Real Estate Asset in substantially the same condition as it was at the commencement of such occupancy, use or control, ordinary wear and tear excepted (or otherwise reimburse the Revolving Claimholders for any such physical damage to any Revolving Priority Collateral (ordinary wear-and-tear excepted) caused by the acts or omissions of the Notes Claimholders and/or the Notes Collateral Agent (or their respective employees, agents, advisers and representatives)). Notwithstanding the foregoing, in no event shall the Notes Claimholders or the Notes Collateral Agent have any liability to the Revolving Claimholders and/or to the Revolving ~~Collateral Agent~~Lender pursuant to this Section 3.8 as a result of any condition (including any environmental condition, claim or liability) on or with respect to the Revolving Priority Real Estate Assets existing prior to the date of the exercise by the Notes Claimholders (or the Notes Collateral Agent, as the case may be) of their rights under Section 3.8 and the Notes Claimholders or Notes Collateral Agent shall have no duty or liability to maintain the Revolving Priority Real Estate Assets in a condition or manner better than that in which it was maintained prior to the use thereof by the Notes Claimholders or Notes Collateral Agent, or for any diminution in the value of the Revolving Priority Real Estate Assets that results from ordinary wear and tear resulting from the use of the Revolving Priority Real Estate Assets by the Notes Claimholders or Notes Collateral Agent in the manner and for the time periods specified under this Section 3.8. Without limiting the rights granted in this Section 3.8, the Notes Claimholders and the Notes Collateral Agent shall cooperate with the Revolving Claimholders and/or the Revolving ~~Collateral Agent~~Lender in connection with any efforts made by the Revolving Claimholders and/or the Revolving ~~Collateral Agent~~Lender to sell the Revolving Priority Real Estate Assets.

(d) The Notes Collateral Agent agrees, for the benefit of the Revolving ~~Collateral Agent~~ Lender, that it shall not sell or dispose of any of the Notes Priority Collateral during the Use Period unless such sale or other disposition is in contemplation in all material respects with the Communications Laws (including any required prior FCC approval) and the purchaser, assignee or transferee thereof agrees in writing to acquire the Notes Priority Collateral subject to the terms of Section 3.8 of this Agreement and agrees therein to comply with the terms of this Section 3.8. The rights of the Revolving ~~Collateral Agent~~ Lender under this Section 3.8 during the Use Period shall continue notwithstanding foreclosure, sale or other disposition or any Exercise of Secured Creditor Remedies by the Notes Collateral Agent. The Revolving ~~Collateral Agent~~ Lender agrees, for the benefit of the Notes Collateral Agent, that it shall not sell or dispose of any of the Revolving Priority Real Estate Assets during the Use Period unless such sale or other disposition is in contemplation in all material respects with the Communications Laws (including any required prior FCC approval) and the purchaser, assignee or transferee thereof agrees in writing to acquire the Revolving Priority Real Estate Assets subject to the terms of Section 3.8 of this Agreement and agrees therein to comply with the terms of this Section 3.8. The rights of the Notes Collateral Agent under this Section 3.8 during the Use Period shall continue notwithstanding foreclosure, sale or other disposition or any Exercise of Secured Creditor Remedies by the Revolving ~~Collateral Agent~~ Lender.

Except as provided in clause (c) of this Section 3.8, the Revolving ~~Collateral Agent~~ Lender and the other Revolving Claimholders shall not be obligated to pay any amounts to the Notes Collateral Agent or the Notes Claimholders (or any person claiming by, through or under the Notes Claimholders, including any purchaser of the Notes Priority Collateral) or to any Grantor, for or in respect of the use by the Revolving ~~Collateral Agent~~ Lender and the other Revolving Claimholders of the Notes Priority Collateral; provided that, the Revolving ~~Collateral Agent~~ Lender and the other Revolving Claimholders shall be obligated to pay any ordinary course third-party expenses related to the use or occupancy of any premises during the period so used or occupied, including ordinary course costs with respect to heat, light, electricity and water with respect to that portion of any premises so used or occupied, or that arise as a result of such use, during such period. Except as provided in clause (c) of this Section 3.8, the Notes Collateral Agent and the other Notes Claimholders shall not be obligated to pay any amounts to the Revolving ~~Collateral Agent~~ Lender or the Revolving Claimholders (or any person claiming by, through or under the Revolving Claimholders, including any purchaser of the Revolving Priority Collateral) or to any Grantor, for or in respect of the use by the Notes Collateral Agent and the Notes Claimholders of the Revolving Priority Real Estate Assets; provided that, the Notes Collateral Agent and the other Notes Claimholders shall be obligated to pay any third party expenses related thereto, including costs with respect to heat, light, electricity and water with respect to that portion of any premises so used or occupied, or that arise as a result of such use and shall be obligated to repair any damage to the premises which is Revolving Priority Real Estate Assets (other than normal wear and tear) caused by the Notes Collateral Agent or its agent during the Notes Collateral Agent's entry onto such premises.

(e) The Revolving Claimholders shall use the Notes Priority Collateral in accordance with applicable law. The Notes Claimholders shall use the Revolving Priority Collateral in accordance with applicable law.

(f) The Notes Collateral Agent and the other Notes Claimholders (i) will use commercially reasonable efforts to cooperate with the Revolving ~~Collateral Agent Lender~~ and the other Revolving Claimholders in exercising its rights pursuant to this Section 3.8, (ii) subject to Section 3.7, will not hinder or restrict in any respect the Revolving ~~Collateral Agent Lender~~ from exercising the rights described in this Section 3.8 and (iii) will, subject to the rights of any landlords under real estate leases, permit the Revolving ~~Collateral Agent Lender~~, its employees, agents, advisers and representatives to exercise the rights described in this Section 3.8. Subject to Section 3.7, the Revolving ~~Collateral Agent Lender~~ and the other Revolving Claimholders shall use commercially reasonable efforts not to hinder or obstruct the Notes Collateral Agent and the other Notes Claimholders from exercising the rights described in Section 3.8.

(g) In furtherance of the foregoing in this Section 3.8, the Notes Collateral Agent and other Notes Claimholders, in their capacity as a secured party (or as a purchaser, assignee or transferee, as applicable), and to the extent of its interest therein, hereby grants to the Revolving ~~Collateral Agent Lender~~ and the other Revolving Claimholders during the Use Period a nonexclusive, irrevocable, royalty-free, worldwide license to use, reproduce, publicly display, publicly perform, transmit, create derivative works of, modify, sell, commercialize, exploit, syndicate, license and sublicense any and all Intellectual Property now owned or hereafter acquired included as part of the Notes Priority Collateral (and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof) as is or may be necessary or advisable in the Revolving ~~Collateral Agent's Lender's~~ reasonable judgment for the Revolving ~~Collateral Agent Lender~~ to process, ship, produce, store, supply, lease, complete, sell, liquidate or otherwise deal with the Revolving Priority Collateral, or to collect or otherwise realize upon any accounts comprising Revolving Priority Collateral, in each case solely in connection with any Exercise of Secured Creditor Remedies; provided that (i) any such license shall terminate upon the sale of the applicable Revolving Priority Collateral and shall not extend or transfer to the purchaser of such Revolving Priority Collateral, (ii) the Revolving ~~Collateral Agent's Lender's~~ use of such Intellectual Property shall be reasonable and lawful, and (iii) any such license is granted on an "AS IS" basis, without any representation or warranty whatsoever. Furthermore, the Notes Collateral Agent agrees that, in connection with any Exercise of Secured Creditor Remedies conducted by the Notes Collateral Agent in respect of Notes Priority Collateral, the Notes Collateral Agent shall provide written notice to any purchaser, assignee or transferee of Intellectual Property pursuant to an Exercise of Secured Creditor Remedies that the applicable Intellectual Property is subject to such license and the purchaser shall be required to acknowledge in writing that it purchased such Collateral subject to such license.

(h) For the avoidance of doubt, as between the Revolving Claimholders and the Notes Claimholders, references to "Notes Priority Collateral" in this Agreement shall include the FCC Licenses, consistent with the Communications Laws, and all Intellectual Property of the Grantors whether or not included in the definition of Notes Collateral; *provided, that* this Section 3.8(h) is intended solely for the purpose of defining the relative rights of the Revolving ~~Collateral Agent Lender~~ and Revolving Claim-holders on the one hand and the Notes Collateral Agent and the Notes Claimholders on the other hand, and any grant of Notes Collateral by any Grantor is expressly subject to Section 3 of the Notes Security Agreement.

3.9 Sharing of Information and Access. In the event that the Revolving ~~Collateral Agent~~ Lender shall, in the exercise of its rights under the Revolving Collateral Documents or otherwise, receive possession or control of any books and records of any Grantor which contain information identifying or pertaining to the Notes Priority Collateral, the Revolving ~~Collateral Agent~~ Lender shall, upon request from the Notes Collateral Agent and as promptly as practicable thereafter, either make available to the Notes Collateral Agent such books and records for inspection and duplication or provide to the Notes Collateral Agent copies thereof. In the event that the Notes Collateral Agent shall, in the exercise of its rights under the Notes Collateral Documents or otherwise, receive possession or control of any books and records of any Grantor which contain information identifying or pertaining to any of the Revolving Priority Collateral, the Notes Collateral Agent shall, upon request from the Revolving ~~Collateral Agent~~ Lender and as promptly as practicable thereafter, either make available to the Revolving ~~Collateral Agent~~ Lender such books and records for inspection and duplication or provide the Revolving ~~Collateral Agent~~ Lender copies thereof.

3.10 Set off and Tracing of and Priorities in Proceeds. The Notes Collateral Agent, on behalf of the Notes Claimholders, acknowledges and agrees that, to the extent the Notes Collateral Agent or any Notes Claimholder exercises its rights of set-off against any Revolving Priority Collateral, the amount of such set-off shall be held and distributed pursuant to Section 4.1. The Revolving ~~Collateral Agent~~ Lender, on behalf of the Revolving Claimholders, acknowledges and agrees that, to the extent the Revolving ~~Collateral Agent~~ Lender or any Revolving Claimholder exercises its rights of set-off against any Notes Priority Collateral, the amount of such set-off shall be held and distributed pursuant to Section 4.1. The Revolving ~~Collateral Agent~~ Lender, for itself and on behalf of the Revolving Claimholders, and the Notes Collateral Agent, for itself and on behalf of the Notes Claimholders, further agree that prior to an issuance of any Enforcement Notice by such Claimholder or the commencement of an Insolvency Proceeding, any proceeds of Collateral obtained in accordance with the terms of the Revolving Loan Documents and the Notes Documents, whether or not deposited under control agreements, which are used by any Grantor to acquire other property which is Collateral shall not (solely as between the Claimholders) be treated as Proceeds of Collateral for purposes of determining the relative priorities in the Collateral which was so acquired. In addition, notwithstanding anything to the contrary contained in this Agreement (other than with respect to identifiable cash proceeds or right to payment from a sale of any Notes Priority Collateral) unless and until the Discharge of Revolving Obligations occurs, the Notes Collateral Agent, for itself and on behalf of the Notes Claimholders, each hereby agrees that, prior to the receipt by the Revolving ~~Collateral Agent~~ Lender of a Notes Cash Proceeds Notice issued by the Notes Collateral Agent, the Revolving Claimholders are permitted to treat all cash, cash equivalents, money, collections and payments or other proceeds of Collateral, deposited, held in or otherwise credited to any deposit account, commodities account or securities account (other than any Notes Proceeds Account) or otherwise received by any Revolving Claimholder as Revolving Priority Collateral prior to receipt by the Revolving ~~Collateral Agent~~ Lender of such Notes Cash Proceeds Notice, and no such amounts deposited, held in or otherwise credited to any such deposit account, commodities account or securities account or received by any Revolving Claimholder or applied to the Revolving Obligations shall be subject to disgorgement or deemed to be held in trust for the benefit of the Note Claimholders (and all claims of the Note Claimholders to such amounts are hereby waived) .

3.11 Notes Proceeds Account. The Grantors, the Revolving Claimholders and the Notes Claimholders and all other parties hereto agree that only proceeds of the Notes Priority Collateral may be deposited in the Notes Proceeds Accounts and agree to take all other actions necessary to give effect to the intent of this Section 3.11. Without limiting the generality of the foregoing, the Notes Collateral Agent hereby agrees that if any Notes Proceeds Account contains any proceeds of the Revolving Priority Collateral, it shall hold such proceeds in trust for the Revolving Claimholders and transfer such proceeds to the Revolving Claimholders in accordance with Section 4.2 reasonably promptly after obtaining actual knowledge or notice from a Revolving Claimholder that it has possession of such proceeds.

SECTION 4. Proceeds.

4.1 Application of Proceeds.

(a) Prior to the Discharge of Revolving Obligations, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, except as otherwise provided in Section 3.5, any Revolving Priority Collateral or proceeds thereof received in connection with any Exercise of Secured Creditor Remedies shall (at such time as such Collateral or proceeds has been monetized) be applied: (i) first, to the payment in full in cash or cash collateralization of the Revolving Obligations in accordance with the Revolving Loan Documents and (ii) second, to the payment in full in cash of the Notes Obligations in accordance with the Notes Documents.

(b) Prior to the Discharge of Notes Obligations, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, except as otherwise provided in Section 3.5, any Notes Priority Collateral or proceeds thereof received in connection with any Exercise of Secured Creditor Remedies shall (at such time as such Collateral or proceeds has been monetized) be applied: (i) first, to the payment in full in cash or cash collateralization of the Notes Obligations in accordance with the Notes Documents and (ii) second, to the payment in full in cash or cash collateralization of the Revolving Obligations in accordance with the Revolving Loan Documents.

(c) If any Exercise of Secured Creditor Remedies with respect to the Collateral produces non-cash proceeds, then such non-cash proceeds shall be held by the agent that conducted the Exercise of Secured Creditor Remedies as additional Collateral and, at such time as such non-cash proceeds are monetized, shall be applied as set forth above.

4.2 Turnover. Unless and until the earlier of the Discharge of Revolving Obligations or the Discharge of the Notes Obligations has occurred, whether or not any Insolvency Proceeding has been commenced by or against any Grantor, except as otherwise provided in Section 3.5, (a) any Revolving Priority Collateral, proceeds thereof (including assets or proceeds subject to Liens referred to in the final sentence of Section 2.3) or any insurance proceeds

described in [Section 5.2\(a\)](#) received by the Notes Collateral Agent or any Notes Claimholder in connection with any Exercise of Secured Creditor Remedies shall be segregated and held in trust and forthwith paid over to the Revolving ~~Collateral Agent~~Lender for the benefit of the Revolving Claimholders (subject to the rights of the Grantors under the Revolving Loan Documents) in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct and (b) any Notes Priority Collateral, proceeds thereof (including assets or proceeds subject to Liens referred to in the final sentence of [Section 2.3](#)) or any insurance proceeds described in [Section 5.2\(b\)](#) received by the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholder in connection with an Exercise of Secured Creditor Remedies shall be segregated and held in trust and forthwith paid over to the Notes Collateral Agent for the benefit of the Notes Claimholders (subject to the rights of the Grantors under the Notes Documents) in the same form as received, with any necessary endorsements or as a court of competent jurisdiction may otherwise direct. Notwithstanding the foregoing, the Trustee and Notes Collateral Agent will only be required to pay over amounts that it has received which are still in its possession and which have not been paid over to the Notes Claimholders, provided, that the Trustee and Notes Collateral Agent shall comply with the obligations set forth in Section 4.2(a) hereof. Each of the Notes Collateral Agent and the Revolving ~~Collateral Agent~~Lender is hereby authorized to make any such endorsements as agent for the other or any Claimholders. This authorization is coupled with an interest and is irrevocable until the earlier of the Discharge of Revolving Obligations or the Notes Obligations.

4.3 No Subordination of the Relative Priority of Claims. Anything to the contrary contained herein notwithstanding, the subordination of the Liens of Notes Claimholders to the Liens of Revolving Claimholders and of the Liens of Revolving Claimholders to the Liens of Notes Claimholders as set forth herein is with respect to the priority of the respective Liens held by or on behalf of them only and shall not constitute a subordination of the Notes Obligations to the Revolving Obligations or the Revolving Obligations to the Notes Obligations.

4.4 Application of Payments. Subject to the other terms of this Agreement, all payments received (not in violation of this Agreement) by (a) the Revolving ~~Collateral Agent~~Lender or the Revolving Claimholders may be applied, reversed and reapplied, in whole or in part, to the Revolving Obligations to the extent provided for in the Revolving Loan Documents and (b) the Notes Collateral Agent or the Note Claimholders may be applied, reversed and reapplied, in whole or in part, to the Note Obligations to the extent provided for in the Note Documents.

4.5 Revolving Nature of Revolving Obligations. The Notes Collateral Agent, on behalf of the Notes Claimholders, acknowledges and agrees that the Revolving Loan Agreement includes a revolving commitment and that the amount of the Revolving Obligations that may be outstanding at any time or from time to time may be increased or reduced and subsequently reborrowed.

SECTION 5. Releases; Dispositions; Other Agreements.

5.1 Releases.

(a) Prior to the Discharge of Revolving Obligations and subject to Section 3.4, the Revolving ~~Collateral Agent~~Lender shall have the exclusive right to make determinations regarding the release or Disposition of any Revolving Priority Collateral pursuant to the terms of the Revolving Loan Documents or in accordance with the provisions of this Agreement, without any consultation with or consent of, the Notes Collateral Agent or any Notes Claimholder.

(b) If, in connection with the Exercise of Secured Creditor Remedies by the Revolving ~~Collateral Agent~~Lender as provided for in Section 3 irrespective of whether a Notes Default has occurred and is continuing, the Revolving ~~Collateral Agent~~Lender releases any of its Liens on any part of the Revolving Priority Collateral, then the Liens of the Notes Collateral Agent on such Revolving Priority Collateral shall be automatically, unconditionally, and simultaneously released; provided, however, that any proceeds remaining after the Discharge of Revolving Obligations shall be subject to the Liens of the Notes Claimholders. The Notes Collateral Agent, for itself or on behalf of any such Notes Claimholders, promptly shall execute and deliver to the Revolving ~~Collateral Agent~~Lender such termination or amendment statements, releases, and other documents as the Revolving ~~Collateral Agent~~Lender may request to effectively confirm such release, at the cost and expense of the Parent, and without the consent or direction of any other Notes Claimholders.

(c) Prior to the Discharge of Notes Obligations and subject to Section 3.4, the Notes Collateral Agent shall have the exclusive right to make determinations regarding the release or Disposition of any Notes Priority Collateral pursuant to the terms of the Notes Documents or in accordance with the provisions of this Agreement, without any consultation with or consent of the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholder.

(d) If, in connection with the Exercise of Secured Creditor Remedies by the Notes Collateral Agent as provided for in Section 3, irrespective of whether a Revolving Default has occurred and is continuing, the Notes Collateral Agent releases any of its Liens on any part of the Notes Priority Collateral, then the Liens of the Revolving ~~Collateral Agent~~Lender on such Notes Priority Collateral shall be automatically, unconditionally, and simultaneously released; provided, however, that any proceeds remaining after the Discharge of Notes Obligations shall be subject to the Liens of the Revolving Claimholders. The Revolving ~~Collateral Agent~~Lender, for itself or on behalf of any such Revolving Claimholders, promptly shall execute and deliver to the Notes Collateral Agent such termination or amendment statements, releases, and other documents as the Notes Collateral Agent may request to effectively confirm such release, at the cost and expense of the Parent, and without the consent or direction of any other Revolving Claimholders.

(e) If, in connection with any Disposition of any Revolving Priority Collateral permitted under the terms of the Revolving Loan Documents and the Notes Documents, the Revolving ~~Collateral Agent~~Lender, for itself or on behalf of any Revolving Claimholders, releases any of its Liens on the portion of the Revolving Priority Collateral that is the subject of such Disposition, other than (i) in connection with the Discharge of

Revolving Obligations, or (ii) after the occurrence and during the continuance of any Notes Default, then the Liens of the Notes Collateral Agent on such Collateral shall be automatically, unconditionally, and simultaneously released. The Notes Collateral Agent, for itself or on behalf of any such Notes Claimholders, promptly shall execute and deliver to the Revolving ~~Collateral Agent~~Lender such termination or amendment statements, releases, and other documents as the Revolving ~~Collateral Agent~~Lender may request to effectively confirm such release, at the cost and expense of the Parent, and without the consent or direction of any other Notes Claimholders. The Notes Collateral Agent hereby appoints the Revolving ~~Collateral Agent~~Lender and any officer or duly authorized person of the Revolving ~~Collateral Agent~~Lender, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power of attorney in the place and stead of the Notes Collateral Agent and in the name of the Notes Collateral Agent or in the Revolving ~~Collateral Agent's~~Lender's own name, from time to time, in the Revolving~~Collateral Agent's~~Lender's sole discretion, for the purposes of carrying out the terms of Sections 5.1(b) and (e), to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of Sections 5.1(b) and (e), including any financing statements, endorsements, assignments, releases or other documents or instruments of transfer (which appointment, being coupled with an interest, is irrevocable).

(f) If, in connection with any Disposition of any Notes Priority Collateral permitted under the terms of the Notes Documents and the Revolving Loan Documents, the Notes Collateral Agent, for itself or on behalf of any Notes Claimholders, releases any of its Liens on the portion of the Notes Priority Collateral that is the subject of such Disposition, other than (i) in connection with the Discharge of Notes Obligations, or (ii) after the occurrence and during the continuance of any Revolving Default, then the Liens of the Revolving ~~Collateral Agent~~Lender on such Collateral shall be automatically, unconditionally, and simultaneously released. The Revolving ~~Collateral Agent~~Lender, for itself or on behalf of any such Revolving Claimholders, promptly shall execute and deliver to the Notes Collateral Agent such termination or amendment statements, releases, and other documents as the Notes Collateral Agent may request to effectively confirm such release, at the cost and expense of the Parent, and without the consent or direction of any other Revolving Claimholders. The Revolving ~~Collateral Agent~~Lender hereby appoints the Notes Collateral Agent and any officer or duly authorized person of the Notes Collateral Agent, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power of attorney in the place and stead of the Revolving ~~Collateral Agent~~Lender and in the name of the Revolving ~~Collateral Agent~~Lender or in the Notes Collateral Agent's own name, from time to time, in the Notes Collateral Agent's sole discretion, for the purposes of carrying out the terms of Sections 5.1(d) and (f), to take any and all appropriate action and to execute and deliver any and all documents and instruments as may be necessary or desirable to accomplish the purposes of Sections 5.1(d) and (f), including any financing statements, endorsements, assignments, releases or other documents or instruments of transfer (which appointment, being coupled with an interest, is irrevocable).

(g) In the event of any private or public Disposition of (i) all or any material portion of the Revolving Priority Collateral by one or more Grantors with the consent of the Revolving ~~Collateral Agent~~Lender after the occurrence and during the continuance of a Revolving Default (and prior to the Discharge of Revolving Obligations) or (ii) all or any material portion of the Notes Priority Collateral by one or more Grantors with the consent of the Notes Collateral Agent after the occurrence and during the continuance of a Notes Default (and prior to the Discharge of Notes Obligations), which Disposition is conducted by such Grantors with the consent of the Revolving ~~Collateral Agent~~Lender in the case of the former, or the Notes Collateral Agent in the case of the latter, in connection with good faith efforts by the Revolving ~~Collateral Agent~~Lender or the Notes Collateral Agent, as the case may be, to collect the Revolving Obligations through the Disposition of Revolving Priority Collateral or the Notes Obligations through the Disposition of Notes Priority Collateral (in either case, any such Disposition, a “Default Disposition”), then the Liens of the Notes Collateral Agent, if any, on such Revolving Priority Collateral and the Liens of the Revolving ~~Collateral Agent~~Lender, if any, on such Notes Priority Collateral shall be automatically, unconditionally, and simultaneously released; provided that with respect to Collateral that is subject to Article 9 of the UCC, the Grantors consummating such Default Disposition have (i) provided the applicable party with the prior written notice that would have been required if the Default Disposition were a Disposition of collateral by a secured creditor under Article 9 of the UCC, and (ii) conducted such Default Disposition in a commercially reasonable manner as if such Default Disposition were a Disposition of collateral by a secured creditor in accordance with Article 9 of the UCC; provided, further, that any proceeds of such Default Disposition are applied pursuant to Section 4.1.

5.2 Insurance.

(a) Unless and until the Discharge of Revolving Obligations has occurred: (i) the Revolving ~~Collateral Agent~~Lender and the Revolving Claimholders shall have the sole and exclusive right, subject to the rights of Grantors under the Revolving Loan Documents, to adjust and settle any claim under any insurance policy covering the Revolving Priority Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding (or any deed in lieu of condemnation) affecting the Revolving Priority Collateral; and (ii) all proceeds of any such insurance policy and any such award (or any payments with respect to a deed in lieu of condemnation) if in respect of Revolving Priority Collateral, shall be paid, subject to the rights of Grantors under the Revolving Loan Documents, first, to the Revolving Claimholders, until the Discharge of Revolving Obligations, second, to the Notes Claimholders, until the Discharge of Notes Obligations, and third, to the owner of the subject property, such other person as may be entitled thereto, or as a court of competent jurisdiction may otherwise direct.

(b) Unless and until the Discharge of Notes Obligations has occurred: (i) the Notes Collateral Agent and the Notes Claimholders shall have the sole and exclusive right, subject to the rights of Grantors under the Notes Documents, to adjust and settle any claim under any insurance policy covering the Notes Priority Collateral in the event of any loss thereunder and to approve any award granted in any condemnation or similar proceeding (or any deed in lieu of condemnation) affecting the Notes Priority Collateral; and (ii) all proceeds of any such insurance policy and any such award (or any payments

with respect to a deed in lieu of condemnation) if in respect of Notes Priority Collateral, shall be paid, subject to the rights of Grantors under the Notes Documents, first, to Notes Claimholders, until the Discharge of Notes Obligations, second, to the Revolving Claimholders, until the Discharge of Revolving Obligations, and third, to the owner of the subject property, such other person as may be entitled thereto, or as a court of competent jurisdiction may otherwise direct.

Notwithstanding anything contained in this Agreement to the contrary, in the event that any proceeds are derived from any insurance policy that covers both Revolving Priority Collateral and Notes Priority Collateral where the allocation of proceeds is not stipulated between Revolving Priority Collateral and Notes Priority Collateral, then, subject to the rights of the Grantors under the Notes Documents and the Revolving Loan Documents, the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent shall use commercially reasonable efforts in good faith to allocate the proceeds of such insurance to the Revolving Priority Collateral and the Notes Priority Collateral. If the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent are unable to agree on such allocation within five (5) Business Days (or such other period of time as the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent agree) of the receipt of the insurance proceeds, the portion of such proceeds that shall be allocated as proceeds of Revolving Priority Collateral in accordance with the last sentence of Section 3.5(c).

5.3 Amendments; Refinancings.

(a) The Revolving Loan Documents may be amended, supplemented, or otherwise modified in accordance with their terms and the Revolving Obligations may be Refinanced, in each case without notice to, or the consent of, the Notes Collateral Agent or the Notes Claimholders, all without affecting the lien subordination or other provisions of this Agreement; provided, however, that, in the case of a Refinancing secured by the Collateral, the holders of such Refinancing debt bind themselves (in a writing addressed to the Notes Collateral Agent for the benefit of itself and the Notes Claimholders) to the terms of this Agreement; provided, further, that any such amendment, supplement, modification, or Refinancing shall not result in a Notes Default or a Revolving Default; provided, further, that, if such Refinancing debt is secured by a Lien on any Collateral the holders of such Refinancing debt shall be deemed bound by the terms hereof regardless of whether or not such writing is provided. For the avoidance of doubt, the sale or other transfer of Indebtedness is not restricted by this Agreement but the provisions of this Agreement shall be binding on all holders of Revolving Obligations and Notes Obligations.

(b) The Notes Documents may be amended, supplemented, or otherwise modified in accordance with their terms and the Notes Obligations may be Refinanced, in each case without notice to, or the consent of, the Revolving ~~Collateral Agent~~Lender or the Revolving Claimholders, all without affecting the lien subordination or other provisions of this Agreement; provided, however, that, in the case of a Refinancing secured by the Collateral, the holders of such Refinancing debt (or their agent or trustee on their behalf) bind themselves (in a writing addressed to the Revolving ~~Collateral Agent~~Lender for the benefit of itself and the Revolving Claimholders) to the terms of this Agreement;provided further, however, that any such amendment, supplement,

modification, or Refinancing shall not result in a Revolving Default or Notes Default; provided, further, however, that, if such Refinancing debt is secured by a Lien on any Collateral the holders of such Refinancing debt shall be deemed bound by the terms hereof regardless of whether or not such writing is provided. For the avoidance of doubt, the sale or other transfer of Indebtedness is not restricted by this Agreement but the provisions of this Agreement shall be binding on all holders of Revolving Obligations and Notes Obligations.

(c) So long as each of the Discharge of Revolving Obligations and the Discharge of Notes Obligations has not occurred, the Revolving Borrowers and the Issuer agree that each Notes Collateral Document and Revolving Collateral Document constituting a security agreement, pledge agreement or mortgage securing the Notes Obligations shall include the following language (or similar language acceptable to the Revolving ~~Collateral Agent Lender~~ or Notes Collateral Agent, as applicable): "Notwithstanding anything herein to the contrary, the liens and security interests granted to the [Notes Collateral Agent/Revolving ~~Collateral Agent Lender~~], pursuant to this Agreement and the exercise of any right or remedy by the [Notes Collateral Agent/Revolving ~~Collateral Agent Lender~~] hereunder, are subject to the provisions of the Intercreditor Agreement dated as of May 19, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement"), between ~~Wells Fargo Bank, National Association~~ Siena Lending Group LLC, as the Revolving ~~Collateral Agent Lender~~, and U.S. Bank National Association, as the Notes Collateral Agent. In the event of any conflict between the terms of the Intercreditor Agreement and the terms of this Agreement, as between the Revolving Claimholders and the Notes Claimholders, the terms of the Intercreditor Agreement shall govern and control."

(d) So long as no Notes Default has occurred and is continuing, in the event the Revolving ~~Collateral Agent Lender~~ enters into any amendment, waiver or consent in respect of any of the Revolving Collateral Documents for the purpose of adding to, or deleting from, or waiving or consenting to any departures from any provision of any Revolving Collateral Document, in each case solely with respect to (x) any notice, delivery, maintenance, use or replacement obligation in respect of, (y) any obligation to provide control over and/or (z) the location of or general administration of, any Revolving Priority Collateral, then such amendment, waiver or consent shall apply automatically (subject to any existing cushion or setback in such comparable Note Collateral Document provision and subject to the terms of Section 2.3 hereof) to any comparable provision (if any) of any of the Notes Collateral Documents without the consent of or action by any Notes Claimholder (with all such amendments, waivers and modifications subject to the terms hereof); provided that (i) no such amendment, waiver or consent shall have the effect of (A) removing assets subject to the Lien of any Notes Collateral Document, except to the extent that a release of such Lien is permitted by Section 5.1, and provided that, there is a corresponding release of the Lien securing the Revolving Obligations, (B) imposing duties on the Notes Collateral Agent without its consent or the Notes Claimholders without their consent (C) permitting other Liens on the Collateral not permitted under the terms of the Notes Collateral Documents, (ii) any such amendment, waiver or consent that materially and adversely affects the rights of the Notes Claimholders and does not affect the Revolving Claimholders in a like or similar

manner shall not apply to the Notes Collateral Documents without the consent of the Notes Collateral Agent acting at the direction of Notes Claimholders pursuant to the Notes Documents, (iii) notice of such amendment, waiver or consent shall be given to the Notes Collateral Agent no later than 10 days after its effectiveness, provided that the failure to give such notice shall not affect the effectiveness and validity thereof and (iv) such amendment, waiver or modification to the applicable Notes Collateral Documents shall be approved by the Parent in writing.

5.4 Bailee for Perfection

(a) The Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent each agree to hold or control that part of the Collateral that is in its possession or control (or in the possession or control of its agents or bailees) to the extent that possession or control thereof is taken to perfect a Lien thereon under the UCC or other applicable law (such Collateral, the "Pledged Collateral"), as gratuitous bailee and as a non-fiduciary agent for the benefit of and on behalf of the Notes Collateral Agent or the Revolving ~~Collateral Agent~~Lender, as applicable (such bailment and agency being intended, among other things, to satisfy the requirements of Sections 8-106, 8-301(a)(2), 9-313(c), 9-104, 9-105, 9-106, and 9-107 of the UCC), solely for the purpose of perfecting the security interest granted under the Notes Documents or the Revolving Loan Documents, as applicable, subject to the terms and conditions of this Section 5.4. The Notes Collateral Agent and the Notes Claimholders hereby appoint the Revolving ~~Collateral Agent~~Lender as their gratuitous bailee for the purposes of perfecting their security interest in all Pledged Collateral in which the Revolving ~~Collateral Agent~~Lender has a perfected security interest under the UCC. The Revolving ~~Collateral Agent~~Lender and the Revolving Claimholders hereby appoint the Notes Collateral Agent as their gratuitous bailee for the purposes of perfecting their security interest in all Pledged Collateral in which the Notes Collateral Agent has a perfected security interest under the UCC. Each of the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent hereby accepts such appointments pursuant to this Section 5.4(a) and acknowledges and agrees that it shall act for the benefit of and on behalf of the other Claimholders with respect to any Pledged Collateral and that any Proceeds received by the Revolving ~~Collateral Agent~~Lender or the Notes Collateral Agent, as the case may be, under any Pledged Collateral shall be applied in accordance with Section 4. Unless and until the Discharge of the Revolving Obligations occurs, the Notes Collateral Agent agrees to promptly notify the Revolving ~~Collateral Agent~~Lender of any Pledged Collateral constituting Revolving Priority Collateral held by it or known by it to be held by any other Notes Claimholders, and, immediately upon the request of the Revolving ~~Collateral Agent~~Lender at any time prior to the Discharge of the Revolving Obligations, the Notes Collateral Agent agrees to deliver to the Revolving ~~Collateral Agent~~Lender any such Pledged Collateral constituting Revolving Priority Collateral held by it or by any Notes Claimholders, together with any necessary endorsements (or otherwise allow the Revolving ~~Collateral Agent~~Lender to obtain control of such Pledged Collateral). Unless and until the Discharge of the Notes Obligations occurs, the Revolving ~~Collateral Agent~~Lender agrees to promptly notify the Notes Collateral Agent of any Pledged Collateral constituting Notes Priority Collateral held by it or known by it to be held by any other Revolving Claimholders, and, immediately upon the request of the Notes

Collateral Agent at any time prior to the Discharge of the Notes Obligations, the Revolving ~~Co~~Hateral Agent Lender agrees to deliver to the Notes Collateral Agent any such Pledged Collateral constituting Notes Priority Collateral held by it or by any Revolving Claimholders, together with any necessary endorsements (or otherwise allow the Notes Collateral Agent to obtain control of such Pledged Collateral). Until the Discharge of Revolving Obligations, the Revolving ~~Co~~Hateral Agent Lender will Control (as defined in Sections 8-106, 9-104 and 9-106 of the UCC, as applicable) any Collateral constituting deposit accounts, securities accounts or commodity accounts and controlled by the Revolving ~~Co~~Hateral Agent Lender as gratuitous bailee and as a non-fiduciary agent for the benefit of and on behalf of the Notes Collateral Agent as secured party solely for the purpose of perfecting the security interest granted under the Notes Documents and subject to the terms and conditions of this Section 5.4; provided, that upon the Discharge of Revolving Obligations, the Revolving ~~Co~~Hateral Agent Lender shall cooperate to have any control agreements with respect to such Collateral assigned to the Notes Collateral Agent and continue to hold such Collateral pursuant to this clause until the earlier of the date (i) on which the Notes Collateral Agent has obtained control thereof for the purpose of perfecting its security interest, and (ii) which is sixty (60) days (or such longer period agreed to by the Revolving ~~Co~~Hateral Agent Lender in its sole discretion) after the Discharge of Revolving Obligations.

(b) The Revolving ~~Co~~Hateral Agent Lender shall have no obligation whatsoever to the Notes Collateral Agent or any Notes Claimholder to ensure that the Pledged Collateral is genuine or owned by any of Grantors or to preserve rights or benefits of any person except as expressly set forth in this Section 5.4. The Notes Collateral Agent shall have no obligation whatsoever to the Revolving ~~Co~~Hateral Agent Lender or any Revolving Claimholder to ensure that the Pledged Collateral is genuine or owned by any of Grantors or to preserve rights or benefits of any person except as expressly set forth in this Section 5.4. The duties or responsibilities of the Revolving ~~Co~~Hateral Agent Lender under this Section 5.4 shall be limited solely to holding or controlling the Pledged Collateral as bailee and agent in accordance with this Section 5.4 and delivering the Pledged Collateral upon a Discharge of Revolving Obligations as provided in paragraph (d) of this Section 5.4. The duties or responsibilities of the Notes Collateral Agent under this Section 5.4 shall be limited solely to holding or controlling the Pledged Collateral as bailee and agent in accordance with this Section 5.4 and delivering the Pledged Collateral upon a Discharge of Notes Obligations as provided in paragraph (e) of this Section 5.4.

(c) The Revolving ~~Co~~Hateral Agent Lender acting pursuant to this Section 5.4 shall not have by reason of the Revolving Collateral Documents, the Notes Collateral Documents, or this Agreement a fiduciary relationship in respect of the Notes Collateral Agent or any Notes Claimholder. The Notes Collateral Agent acting pursuant to this Section 5.4 shall not have by reason of the Revolving Collateral Documents, the Notes Collateral Documents, or this Agreement a fiduciary relationship in respect of the Revolving ~~Co~~Hateral Agent Lender or any Revolving Claimholder.

(d) Upon the Discharge of Revolving Obligations, the Revolving ~~Collateral Agent~~Lender shall deliver the remaining Pledged Collateral (if any) together with any necessary endorsements to the Notes Collateral Agent to the extent Notes Obligations remain outstanding as confirmed in writing by the Notes Collateral Agent. At such time, the Revolving ~~Collateral Agent~~Lender further agrees to take all other action reasonably requested by the Notes Collateral Agent at the expense of the Parent to enable the Notes Collateral Agent to obtain a first priority security interest in the Collateral to the extent required by the Notes Collateral Documents. To the extent no Notes Obligations that are secured by such Pledged Collateral remain outstanding as confirmed in writing by the Notes Collateral Agent (so as to allow such person to obtain possession or control of such Pledged Collateral), the Revolving ~~Collateral Agent~~Lender shall deliver the remaining Pledged Collateral (if any) together with any necessary endorsements to the Parent.

(e) Upon the Discharge of Notes Obligations, the Notes Collateral Agent shall deliver the remaining Pledged Collateral (if any) together with any necessary endorsements to the Revolving ~~Collateral Agent~~Lender to the extent Revolving Obligations remain outstanding as confirmed in writing by the Revolving ~~Collateral Agent~~Lender. At such time, the Notes Collateral Agent further agrees to take all other action reasonably requested by the Revolving ~~Collateral Agent~~Lender at the expense of the Parent to enable the Revolving ~~Collateral Agent~~Lender to obtain a first priority security interest in the Collateral to the extent required by the Revolving Collateral Documents. To the extent no Revolving Obligations that are secured by such Pledged Collateral remain outstanding as confirmed in writing by the Revolving ~~Collateral Agent~~Lender (so as to allow such person to obtain possession or control of such Pledged Collateral), the Notes Collateral Agent shall deliver the remaining Pledged Collateral (if any) together with any necessary endorsements to the Parent.

5.5 When Discharge of Obligations Deemed to Not Have Occurred

(a) If the Revolving Borrowers enter into any Refinancing of the Revolving Obligations that is intended to be secured by the Revolving Priority Collateral on a first-priority basis, then a Discharge of Revolving Obligations shall be deemed not to have occurred for all purposes of this Agreement, and the obligations under such Refinancing of such Revolving Obligations shall be treated as Revolving Obligations for all purposes of this Agreement, including for purposes of the Lien priorities and rights in respect of Collateral set forth herein, and Revolving ~~Collateral Agent~~Lender or lender under the Revolving Loan Documents effecting such Refinancing shall be the Revolving ~~Collateral Agent~~Lender for all purposes of this Agreement. The Revolving ~~Collateral Agent~~Lender or lender under such Revolving Loan Documents shall agree (in a writing addressed to the Notes Collateral Agent) to be bound by the terms of this Agreement.

(b) If the Issuer enters into any Refinancing of the Notes Obligations that is intended to be secured by the Notes Priority Collateral on a first-priority basis, then a Discharge of Notes Obligations shall be deemed not to have occurred for all purposes of this Agreement, and the obligations under such Refinancing of such Notes Obligations shall be treated as Notes Obligations for all purposes of this Agreement, including for purposes of the Lien priorities and rights in respect of Collateral set forth herein, and the lender or group of lenders or any of their designees under the Notes Documents effecting such Refinancing shall succeed to the rights of the Notes Collateral Agent under this Agreement. The lender or group of lenders or any of their designees under such Notes Documents shall agree (in a writing addressed to the Notes Collateral Agent) to be bound by the terms of this Agreement.

5.6 Injunctive Relief. Should any Claimholder in any way take, attempt to, or threaten to take any action contrary to terms of this Agreement with respect to the Collateral, or fail to take any action required by this Agreement, the Notes Collateral Agent, the Revolving ~~Collateral Agent~~ Lender or any other Claimholder, as the case may be, may obtain relief against such Claimholder by injunction, specific performance, or other appropriate equitable relief, it being understood and agreed by each of the Notes Collateral Agent, the Revolving ~~Collateral Agent~~ Lender and each Claimholder that (a) non-breaching Claimholders' damages from such actions may at that time be difficult to ascertain and may be irreparable, and (b) each Claimholder waives any defense that such Grantor and/or other Claimholders can demonstrate damage and/or be made whole by the awarding of damages. The Revolving ~~Collateral Agent~~ Lender, the Notes Collateral Agent and each Claimholder hereby irrevocably waive any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by the Revolving ~~Collateral Agent or Lender or~~ Revolving Claimholders or the Notes Collateral Agent or Notes Claimholders, as the case may be.

SECTION 6. Insolvency Proceedings.

6.1 Enforceability and Continuing Priority. This Agreement shall be applicable both before and after the commencement of any Insolvency Proceeding and all converted or succeeding cases in respect thereof. The relative rights of Claimholders in or to any distributions from or in respect of any Collateral or Proceeds of Collateral shall continue after the commencement of any Insolvency Proceeding. Accordingly, the provisions of this Agreement (including, without limitation, Section 2.1 hereof) are intended to be and shall be enforceable as a subordination agreement within the meaning of Section 510(a) of the Bankruptcy Code.

6.2 Financing.

(a) Until the Discharge of Revolving Obligations, if any Grantor shall be subject to any Insolvency Proceeding and the Revolving ~~Collateral Agent~~ Lender consents to the use of cash collateral (as such term is defined in Section 363(a) of the Bankruptcy Code; herein, "Cash Collateral") constituting Revolving Priority Collateral, and/or to permit any Grantor to obtain financing provided by any one or more Revolving Claimholders under Section 364 of the Bankruptcy Code or any similar Bankruptcy Law secured by a Lien on such Revolving Priority Collateral that is (i) senior or pari passu with the Liens on the Revolving Priority Collateral securing the ~~Notes~~ Revolving Obligations and (ii) junior to the Liens (including in respect of any Exercise of Secured Creditor Remedies regarding such Liens) on the Notes Priority Collateral securing the Notes Obligations (such financing, a "DIP Financing"), and if the Grantors desire to obtain authorization from the Bankruptcy Court to use such Cash Collateral and/or to obtain such DIP Financing, then the Notes Collateral Agent agrees that it will be deemed to have consented, will raise no objection to, nor support any other Person objecting to, the use of such Cash Collateral and/or to such DIP Financing (including, except as set

forth in clause (c) below, any objection based on an assertion that the Notes Claimholders are entitled to adequate protection of their interest in the Collateral as a condition thereto), and the Notes Collateral Agent will subordinate its Liens in the Revolving Priority Collateral to the Liens granted in connection with the use of Cash Collateral and/or securing such DIP Financing (and all obligations relating thereto, including any “carve-out” in favor of fees and expenses of professionals retained by any debtor or statutory committee as agreed to by the Revolving ~~Collateral Agent and the Revolving Lenders~~ Lender with respect to Revolving Priority Collateral), to the extent any Liens securing the Revolving Obligations are discharged, subordinated to, or made pari passu with any new Liens securing such DIP Financing and to any replacement Liens granted as adequate protection of the interests of the Revolving Claimholders in the Collateral (“Revolving Lender Adequate Protection Lien”), in each case to the extent consistent with the other provisions of this Agreement; provided that (a) the Notes Collateral Agent retains its Lien on the Collateral to secure the Notes Obligations and, as to the Notes Priority Collateral only, such Lien has the same priority as existed prior to the commencement of the Insolvency Proceeding and any Lien on the Notes Priority Collateral granted in connection with such use of Cash Collateral and/or securing such DIP Financing and any Revolving Lender Adequate Protection Lien on the Notes Priority Collateral (and all obligations relating thereto, including any “carve-out” in favor of fees and expenses of professionals retained by any debtor or statutory committee as agreed to by the Revolving ~~Collateral Agent and the Revolving Lenders~~ Lender with respect to Revolving Priority Collateral) is junior and subordinate to the Lien of the Notes Collateral Agent on the Notes Priority Collateral, (b) all Liens on Revolving Priority Collateral granted in connection with such use of Cash Collateral and/or securing any such DIP Financing shall be senior to or on a parity with the Liens of the Revolving ~~Collateral Agent~~ Lender and the Revolving Claimholders securing the Revolving Obligations on Revolving Priority Collateral, (c) to the extent that the Revolving ~~Collateral Agent~~ Lender is granted a Revolving Lender Adequate Protection Lien on Collateral arising after the commencement of the Insolvency Proceeding or additional claims, the Notes Collateral Agent or the Notes Claimholders are permitted to request such a Lien on such additional Collateral with the relative priority set forth in Section 2.1 (and neither the Revolving ~~Collateral Agent~~ Lender nor any Revolving Claimholder shall oppose any motion by any Notes Claimholder with respect to the granting of such a Lien), and (d) the terms of such DIP Financing or Cash Collateral order do not either require such Notes Claimholders to extend additional credit pursuant to such DIP Financing or authorize the use of Cash Collateral consisting of Notes Priority Collateral. If the Revolving Claimholders offer to provide DIP Financing that meets the requirements set forth in clauses (a) through (d) above in this paragraph, and if the Grantors desire to obtain authorization from the Bankruptcy Court to obtain such DIP Financing, then the Notes Collateral Agent agrees, on behalf of itself and the other Notes Claimholders, that no Notes Claimholder shall, directly or indirectly, provide, offer to provide, or support (i) any financing competing with the DIP Financing or (ii) any Term/Notes DIP Financing (as defined below). The foregoing provisions of this Section 6.2(a) shall not prevent the Notes Collateral Agent from objecting to any provision in any Cash Collateral or DIP Financing order or documentation relating to any provision or content of a plan of reorganization to the extent such objections are not otherwise

inconsistent with the terms of this Agreement. The Revolving ~~Collateral Agent Lender~~, on behalf of itself and the Revolving Claimholders, agrees that no such Person shall provide to such Grantor consent to use Cash Collateral and/or enter into any DIP Financing to the extent that the Revolving ~~Collateral Agent Lender~~ or any Revolving Claimholder would, in connection with such financing, be granted a Lien on the Notes Priority Collateral senior to or pari passu with any Liens of the Notes Collateral Agent.

(b) Until the Discharge of Notes Obligations, subject to Section 6.2(a), if any Grantor shall be subject to any Insolvency Proceeding and the Notes Collateral Agent consents to the use of Cash Collateral constituting Notes Priority Collateral and/or to permit any Grantor to obtain financing provided by any one or more Notes Claimholders under Section 364 of the Bankruptcy Code or any similar Bankruptcy Law secured by a Lien on Notes Priority Collateral that is (i) senior or pari passu with the Liens on the Notes Priority Collateral securing the Notes Obligations and (ii) junior to the Liens (including in respect of any Exercise of Secured Creditor Remedies regarding such Liens) on the Revolving Priority Collateral securing the Revolving Obligations (such financing, a "Term/Notes DIP Financing"), and if the Grantors desire to obtain authorization from the Bankruptcy Court to use such Cash Collateral and/or to obtain such Term/Notes DIP Financing, then the Revolving ~~Collateral Agent Lender~~ agrees that it will be deemed to have consented, will raise no objection to, nor support any other Person objecting to, the use of such Cash Collateral and/or to such Term/Notes DIP Financing (including, except as set forth in clause (c) below, any objection based on an assertion that the Revolving Claimholders are entitled to adequate protection of their interest in the Collateral as a condition thereto) and, the Revolving ~~Collateral Agent Lender~~ will subordinate its Liens in the Notes Priority Collateral to the Liens granted in connection with such use of Cash Collateral and/or securing such Term/Notes DIP Financing (and all obligations relating thereto, including any "carve-out" in favor of fees and expenses of professionals retained by any debtor or statutory committee as agreed to by the Notes Collateral Agent and the Note ~~Holder's Claimholder~~ with respect to Notes Priority Collateral) to the extent any Liens securing the Notes Obligations are discharged, subordinated to, or made pari passu with any new Liens securing such Term/Notes DIP Financing and to any replacement Liens granted as adequate protection of the interests of the Revolving Claimholders in the Collateral ("Notes Adequate Protection Lien"), in each case to the extent consistent with the other provisions of this Agreement; provided that (a) the Revolving ~~Collateral Agent Lender~~ retains its Lien on the Collateral to secure the Revolving Obligations and, as to the Revolving Priority Collateral only, such Lien has the same priority as existed prior to the commencement of the Insolvency Proceeding and any Lien on the Revolving Priority Collateral granted in connection with such use of Cash Collateral or securing such DIP Financing and any ~~Term/Notes~~ Adequate Protection Lien on the Revolving Priority Collateral (and all obligations relating thereto, including any "carve-out" in favor of fees and expenses of professionals retained by any debtor or statutory committee as agreed to by the Notes Collateral Agent and the holders of the Notes with respect to Notes Priority Collateral) is junior and subordinate to the Lien of the Revolving ~~Collateral Agent Lender~~ on the Revolving Priority Collateral, (b) all Liens on Notes Priority Collateral granted in connection with such use of Cash Collateral and/or securing any such Term/Notes DIP Financing shall be senior to or on a parity with the Liens of the Notes Collateral Agent and the Notes Claimholders securing the Notes Obligations on

Notes Priority Collateral, (c) to the extent that the Notes Collateral Agent is granted a Notes Adequate Protection Lien on Collateral arising after the commencement of the Insolvency Proceeding or additional claims, the Revolving ~~Collateral Agent Lender~~ or the Revolving Claimholders are permitted to request such a Lien on such additional Collateral with the relative priority set forth in [Section 2.1](#) (and neither the Notes Collateral Agent nor the Notes Claimholders shall oppose any motion by any Revolving Claim-holder with respect to the granting of such a Lien), and (d) the terms of such Term/Notes DIP Financing and/or Cash Collateral order do not either require such Revolving Claimholders to extend additional credit pursuant to such Term/Notes DIP Financing or authorize the use of Cash Collateral consisting of Revolving Priority Collateral. If the Notes Claimholders offer to provide Term/Notes DIP Financing that meets the requirements set forth in clauses (a) through (d) above in this paragraph, and if the Grantors desire to obtain authorization from the Bankruptcy Court to obtain such Term/Notes DIP Financing, the Revolving ~~Collateral Agent Lender~~ agrees, on behalf of itself and the other Revolving Claimholders, subject to [Section 6.2\(a\)](#), that no Revolving Claimholder shall, directly or indirectly, provide, offer to provide, or support any financing competing with the Term/Notes DIP Financing to be secured by a priming lien on the Notes Priority Collateral. The foregoing provisions of this [Section 6.2\(b\)](#) shall not prevent the Revolving ~~Collateral Agent Lender~~ from objecting to any provision in any Cash Collateral or Term/Notes DIP Financing order or documentation relating to any provision or content of a plan of reorganization [to the extent such objections are not otherwise inconsistent with the terms of this Agreement](#). The Notes Collateral Agent, on behalf of itself and the Notes Claimholders, agrees that no such Person shall provide to such Grantor consent to use Cash Collateral or enter into any DIP Financing to the extent that the Notes Collateral Agent or any Note Claimholder would, in connection with such financing, be granted a Lien on the Revolving Priority Collateral senior to or *pari passu* with any Liens of the Revolving ~~Collateral Agent Lender~~.

(c) All Liens granted to the Revolving ~~Collateral Agent Lender~~ or the Notes Collateral Agent in any Insolvency Proceeding, whether as adequate protection or otherwise, are intended by the parties to be and shall be deemed to be subject to the Lien priorities in [Section 2.1](#) and the other terms and conditions of this Agreement.

6.3 Sales.

(a) Subject to [Section 3.43.5](#), neither the Notes Collateral Agent nor any other Notes Claimholder shall, in any Insolvency Proceeding or otherwise, oppose any sale or Disposition of any Revolving Priority Collateral that is supported by the Revolving ~~Collateral Agent Lender~~, and the Notes Collateral Agent and each other Notes Claimholder will be deemed to have irrevocably, absolutely, and unconditionally consented under Section 363, 365, 1129 or 1141 of the Bankruptcy Code, or any comparable provisions of any Bankruptcy Law, to any sale or other Disposition of any Revolving Priority Collateral supported by the Revolving ~~Collateral Agent Lender~~ and to have released their Liens and interests (which term shall have the broadest possible meaning for purposes of Section 363(f) of the Bankruptcy Code) on such assets, and shall be deemed to have consented to any such Disposition (and any motion for bid or other sale procedures related to the Disposition) of any Revolving Priority Collateral under

Section 363(f) of the Bankruptcy Code (or any other similar provision of any Bankruptcy Law) that has been consented to by the Revolving ~~Collateral Agent~~Lender; provided that to the extent the Proceeds of such Collateral are not applied to reduce Revolving Obligations, the Notes Collateral Agent shall retain a Lien on such proceeds in accordance with the terms of (and having the relative priority set forth in) this Agreement.

(b) Subject to Section 3.43.5, neither the Revolving ~~Collateral Agent~~Lender nor any other Revolving Claimholder shall, in any Insolvency Proceeding or otherwise, oppose any sale or Disposition of any Notes Priority Collateral that is supported by the Notes Collateral Agent, and the Revolving ~~Collateral Agent~~Lender and each other Revolving Claimholder will be deemed to have irrevocably, absolutely, and unconditionally consented under Section 363, 365, 1129 or 1141 of the Bankruptcy Code, or any comparable provisions of any Bankruptcy Law, to any sale or other Disposition of any Notes Priority Collateral supported by the Notes Collateral Agent and to have released their Liens and interests (which term shall have the broadest possible meaning for purposes of Section 363(f) of the Bankruptcy Code) on such assets, and shall be deemed to have consented to any such Disposition (and any motion for bid or other sale procedures related to the Disposition) of any Notes Priority Collateral under Section 363(f) of the Bankruptcy Code (or any other similar provision of any Bankruptcy Law) that has been consented to by the Notes Collateral Agent; provided that to the extent the proceeds of such Collateral are not applied to reduce Notes Obligations the Revolving ~~Collateral Agent~~Lender shall retain a Lien on such proceeds in accordance with the terms of (and having the relative priority set forth in) this Agreement.

(c) The Notes Claimholders agree that the Revolving Claimholders shall have the right to credit bid under Section 363(k) of the Bankruptcy Code (or any other similar provision of any Bankruptcy Law) with respect to any Disposition of the Revolving Priority Collateral and the Revolving Claimholders agree that the Notes Claimholders shall have the right to credit bid under Section 363(k) of the Bankruptcy Code (or any other similar provision of any Bankruptcy Law) with respect to any Disposition of the Notes Priority Collateral; provided that the Claimholders shall not be deemed to have agreed to any credit bid by other Claimholders in connection with the Disposition of Collateral consisting of both Notes Priority Collateral and Revolving Priority Collateral. Without limiting the generality of the immediately-preceding sentence, the Notes Collateral Agent, for itself and on behalf of the other Notes Claimholders, agrees that, so long as the Discharge of Revolving Obligations has not occurred (or will not occur immediately upon consummation of such Disposition), no Notes Claimholder shall, without the prior written consent of the Revolving ~~Collateral Agent~~Lender, credit bid under Section 363(k) of the Bankruptcy Code with respect to any Disposition of Revolving Priority Collateral or any Disposition consisting of both Notes Priority Collateral and Revolving Priority Collateral. The Revolving Agent, for itself and on behalf of the other Revolving Claimholders, agrees that, so long as the Discharge of Notes Obligations has not occurred (or will not occur immediately upon consummation of such Disposition), no Revolving Claimholder shall, without the prior written consent of the Notes Collateral Agent, credit bid under Section 363(k) of the Bankruptcy Code with respect to any Disposition of the Notes Priority Collateral or any Disposition consisting of both Notes Priority Collateral and Revolving Priority Collateral.

6.4 Relief from the Automatic Stay. Until the Discharge of the Revolving Obligations or the Discharge of the Notes Obligations has occurred, as applicable, each of the Notes Collateral Agent and the Revolving ~~Collateral Agent~~Lender agrees not to seek (or support any other person seeking) relief from the automatic stay or any other stay in any Insolvency Proceeding in respect of the other party's Priority Collateral, without the prior written consent of the other party, unless (x) such other party already has filed a motion (which remains pending) for such relief with respect to its interest in such Collateral and (y) a corresponding motion, in the reasonable judgment of such party, should be filed for the purpose of preserving such party's ability to receive residual distributions pursuant to Section 4.1, although such party and the Revolving Claimholders or Notes Claimholders, as the case may be, shall otherwise remain subject to the applicable restrictions in Section 3.1 and Section 3.2 following the granting of any such relief from the automatic stay.

6.5 Adequate Protection.

(a) Subject to Section 6.2, the Notes Collateral Agent, on behalf of itself and the Note Claimholders, agrees that none of them shall be entitled to contest and none of them shall contest (or support any other Person contesting) (but instead shall be deemed to have hereby irrevocably, absolutely, and unconditionally waived any such right):

(i) subject to Section 6.4, any request by the Revolving ~~Collateral Agent~~Lender or the other Revolving Claimholders for relief from the automatic stay with respect to the Revolving Priority Collateral; or

(ii) any request by the Revolving ~~Collateral Agent~~Lender or the other Revolving Claimholders for adequate protection with respect to the Revolving Priority Collateral (except to the extent any such adequate protection is a payment from Notes Priority Collateral); or

(iii) any objection by the Revolving ~~Collateral Agent~~Lender or the other Revolving Claimholders to any motion, relief, action or proceeding based on the Revolving ~~Collateral Agent~~Lender or the other Revolving Claimholders claiming a lack of adequate protection with respect to the Revolving Priority Collateral.

(b) Subject to Section 6.2, the Revolving ~~Collateral Agent~~Lender, on behalf of itself and the Revolving ~~Claim-holders~~Claimholders, agrees that none of them shall be entitled to contest and none of them shall contest (or support any other Person contesting) (but instead shall be deemed to have hereby irrevocably, absolutely, and unconditionally waived any such right):

(i) subject to Section 6.4, any request by the Notes Collateral Agent or the other Note Claimholders for relief from the automatic stay with respect to the Notes Priority Collateral; or

(ii) any request by the Notes Collateral Agent or the Note Claimholders for adequate protection with respect to the Notes Priority Collateral (except to the extent any such adequate protection is a payment from Revolving Priority Collateral); or

(iii) any objection by the Notes Collateral Agent or the Note Claimholders to any motion, relief, action or proceeding based on the Notes Collateral Agent or the Note Claimholders claiming a lack of adequate protection with respect to the Notes Priority Collateral.

(c) Consistent with the foregoing provisions in this Section 6.5, and except as provided in Sections ~~6.6.2~~ and 6.10, in any Insolvency Proceeding:

(i) no Note Claimholder shall be entitled (and each Note Claimholder shall be deemed to have hereby irrevocably, absolutely, and unconditionally waived any right):

(1) to seek or otherwise be granted any type of adequate protection with respect to its interests in the Revolving Priority Collateral (except as expressly set forth in Section ~~6.6.2~~ or as may otherwise be consented to in writing by the Revolving ~~Collateral Agent Lender~~ in its sole and absolute discretion); provided, however, subject to Section ~~6.6.2~~, Note Claimholders may seek and obtain adequate protection in the form of an additional or replacement Lien on Collateral so long as (x) the Revolving Claimholders have been granted adequate protection in the form of an additional or replacement lien on such Collateral, and (y) any such Lien on Revolving Priority Collateral (and on any Collateral granted as adequate protection for the Revolving Claimholders in respect of their interest in such Revolving Priority Collateral) is subordinated to the Liens of the Revolving ~~Collateral Agent Lender~~ in such Collateral on the same basis as the other Liens of the Notes Collateral Agent on Revolving Priority Collateral; and

(2) to seek or otherwise be granted any adequate protection payments with respect to its interests in the Collateral from Proceeds of Revolving Priority Collateral (except as may be consented to in writing by the Revolving ~~Collateral Agent Lender~~ in its sole and absolute discretion);

(ii) no Revolving Claimholder shall be entitled (and each Revolving Claimholder shall be deemed to have hereby irrevocably, absolutely, and unconditionally waived any right):

(1) to seek or otherwise be granted any type of adequate protection in respect of Notes Priority Collateral (except as may be consented to in writing by the Notes Collateral Agent in its sole and absolute discretion); provided, however, Revolving Claimholders may seek and obtain adequate protection in the form of an additional or replacement Lien on Collateral so long as (x) the Note Claimholders have been granted adequate protection in the form of

an additional or replacement lien on such Collateral, and (y) any such Lien on Notes Priority Collateral (and on any Collateral granted as adequate protection for the Note Claimholders in respect of their interest in such Notes Priority Collateral) is subordinated to the Liens of the Notes Collateral Agent in such Collateral on the same basis as the other Liens of the Revolving ~~Collateral Agent~~Lender on Notes Priority Collateral; and

(2) to seek or otherwise be granted any adequate protection payments with respect to its interests in the Collateral from Proceeds of Notes Priority Collateral (except as may be consented to in writing by the Notes Collateral Agent in its sole and absolute discretion).

(d) With respect to (i) the Revolving Priority Collateral, nothing herein shall limit the rights of the Notes Collateral Agent or the Note Claimholders from seeking adequate protection with respect to their rights in the Notes Priority Collateral in any Insolvency Proceeding (including adequate protection in the form of a cash payment, periodic cash payments or otherwise, other than from Proceeds of Revolving Priority Collateral) so long as such request is not otherwise inconsistent with this Agreement and (ii) the Notes Priority Collateral, nothing herein shall limit the rights of the Revolving ~~Collateral Agent~~Lender or the Revolving Claimholders from seeking adequate protection with respect to their rights in the Revolving Priority Collateral in any Insolvency Proceeding (including adequate protection in the form of a cash payment, periodic cash payments or otherwise, other than from Proceeds of Notes Priority Collateral) so long as such request is not otherwise inconsistent with this Agreement.

6.6 Section 1111(b) of the Bankruptcy Code. Neither the Notes Collateral Agent nor the Revolving ~~Collateral Agent~~Lender shall object to, oppose, support any objection, or take any other action to impede, the right of any class of Revolving Claimholders or Notes Claimholders, as applicable, or any Claimholder therein to make an election under Section 1111(b)(2) of the Bankruptcy Code. So long as the respective rights and remedies available to the Notes Collateral Agent and the Revolving ~~Collateral Agent~~Lender hereunder are not impaired thereby, each of the Notes Collateral Agent and the Revolving ~~Collateral Agent~~Lender waives any claim it may hereafter have against any Claimholder arising out of the election by such Claimholder of such application of Section 1111(b) (2) of the Bankruptcy Code.

6.7 Avoidance Issues. If any Claimholder is required in any Insolvency Proceeding or otherwise to turn over, disgorge or otherwise pay to the estate of any Grantor any amount paid in respect of Revolving Obligations or Notes Obligations, as the case may be (a "Recovery"), then such Claimholders shall be entitled to a reinstatement of the Revolving Obligations or the Notes Obligations, as applicable, with respect to all such recovered amounts, and all rights, interests, priorities and privileges recognized in this Agreement shall apply with respect to any such Recovery (including that the amount of such Recovery is a Revolving Obligation or Notes Obligation, as applicable, secured by Collateral in accordance with this Agreement). If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair, or otherwise affect the obligations of the parties hereto from such date of reinstatement. Notwithstanding anything to the contrary contained herein, if in any Insolvency Proceeding a

determination is made that any prior Lien encumbering any Collateral is not enforceable for any reason then the Revolving ~~Collateral Agent or Lender~~ or Revolving Claimholders, on the one hand, and the Notes Collateral Agent or Notes Claimholders, on the other hand, having Liens of lower ranking priority as provided in this Agreement agree that any distribution or recovery they may receive with respect to, or allocable to, the value of the assets constituting Collateral subject to an enforceable Lien in favor of any such lower ranking priority Lien holder or any proceeds thereof shall (for so long as the Discharge of Revolving Obligations has not occurred, in the case of assets constituting Revolving Priority Collateral, or the Discharge of Note Loan Obligations has not occurred, in the case of assets constituting Notes Priority Collateral) be segregated and held in trust and forthwith paid over to the Revolving ~~Collateral Agent Lender~~ for the benefit of the Revolving Claimholders or to the Notes Collateral Agent for the benefit of the Note Claimholders, as applicable based on whichever holds or is intended to hold the prior Lien as provided in Section 2.1, in the same form as received without recourse, representation or warranty (other than a representation of the applicable Revolving ~~Collateral Agent Lender~~ or Notes Collateral Agent (required to so segregate and pay over) that it has not otherwise sold, assigned, transferred or pledged any right, title or interest in and to such distribution or recovery) but with any necessary endorsements or as a court of competent jurisdiction may otherwise direct.

6.8 Post-Petition Interest.

(a) Neither the Notes Collateral Agent nor any Note Claimholder shall oppose or seek to challenge:

(i) any claim by the Revolving ~~Collateral Agent Lender~~ or any Revolving Claimholder for allowance in any Insolvency Proceeding of Revolving Obligations consisting of post-petition interest, fees or expenses to the extent of the value of the Lien on the Revolving Priority Collateral securing any Revolving Claimholder's claim, without regard to the existence of the Lien of the Notes Collateral Agent on behalf of the Note Claimholders on the Collateral;

(ii) the payment of such expenses allowed in accordance with Section 6.8(a)(i); or

(iii) the payment of such interest and fees allowed in accordance with Section 6.8(a)(i) solely from Proceeds of Revolving Priority Collateral;

provided that nothing contained in this Section 6.8(a) prohibits the Notes Collateral Agent on behalf of the Note Claimholders from seeking adequate protection (to the extent it has not already done so under other provisions of this Agreement) with respect to their rights in the Notes Priority Collateral in any Insolvency Proceeding if such Notes Priority Collateral is the source of payment of post-petition expenses payable to the Revolving ~~Collateral Agent Lender~~ or any Revolving Claimholder.

(b) Neither the Revolving ~~Collateral Agent Lender~~ nor any other Revolving Claimholder shall oppose or seek to challenge:

(i) any claim by the Notes Collateral Agent or any Note Claimholder for allowance in any Insolvency Proceeding of Note Obligations consisting of post-petition interest, fees or expenses to the extent of the value of the Lien on the Notes Priority Collateral securing any Note Claimholder's claim, without regard to the existence of the Lien of the Revolving ~~Co~~Hat~~er~~al Agent Lender on behalf of the Revolving Claimholders on the Collateral;

(ii) the payment of such expenses allowed in accordance with Section 6.8(b)(i); or

(iii) the payment of such interest and fees allowed in accordance with Section 6.8(b)(i) solely from Proceeds of Notes Priority Collateral

provided that nothing contained in this Section 6.8(b) prohibits the Revolving ~~Co~~Hat~~er~~al Agent Lender on behalf of the Revolving Claimholders from seeking adequate protection (to the extent it has not already done so under other provisions of this Agreement) with respect to their rights in the Revolving Priority Collateral in any Insolvency Proceeding if such Revolving Priority Collateral is the source of payment of post-petition expenses payable to the Notes Collateral Agent or any Note Claimholder.

6.9 Plan of Reorganization. If, in any Insolvency Proceeding involving a Grantor, debt obligations of such Grantor, as reorganized, that are secured by Liens upon any property of such Grantor, are distributed or reinstated (in whole or in part) pursuant to a plan of reorganization or similar dispositive restructuring plan, both on account of Revolving Obligations and on account of Notes Obligations, then, to the extent the debt obligations distributed on account of the Revolving Obligations and on account of the Notes Obligations are secured by Liens upon the same property, then either (a) the provisions of this Agreement will survive the distribution of such debt obligations pursuant to such plan and will apply with like effect to the Liens securing such debt obligations or (b) the parties hereto will amend this Agreement and/or enter into a new agreements as may be necessary to make the provisions of this Agreement applicable to such debt obligations.

6.10 Separate Grants of Security and Separate Classification. The Revolving ~~Co~~Hat~~er~~al Agent Lender, on behalf of the Revolving Claimholders, and the Notes Collateral Agent, on behalf of the Notes Claimholders, acknowledge and intend that: the respective grants of Liens pursuant to the Revolving Collateral Documents and the Notes Collateral Documents constitute two separate and distinct grants of Liens, and because of, among other things, their differing rights in the Collateral (i) the Notes Obligations are fundamentally different from the Revolving Obligations and, (ii) the Revolving Obligations are fundamentally different from the Notes Obligations and, in each case, must be separately classified in any plan of reorganization proposed or confirmed (or approved) in an Insolvency Proceeding. To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that the claims of the Revolving Claimholders and the Notes Claimholders in respect of the Collateral constitute claims in the same class (rather than at least two separate classes of secured claims with the priorities described in Section 2.1), then the Revolving Claimholders and the Notes Claimholders hereby acknowledge and agree that all distributions shall be made as if there were two separate classes of Revolving Obligations and Notes Obligations (with the effect being that, to the extent that (i) the aggregate value of the Revolving Claimholders' Revolving Priority

Collateral is sufficient (for this purpose ignoring all claims held by the Notes Claimholders thereon), the Revolving Claimholders shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of post-petition interest, fees or expenses that is available from their Revolving Priority Collateral, before any distribution is made in respect of the Notes Obligations with respect to such Collateral, with each Notes Claimholder acknowledging and agreeing to turn over to the Revolving ~~Collateral Agent~~Lender with respect to such Collateral amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the aggregate recoveries of the Notes Obligations and (ii) the aggregate value of the Notes Claimholders' Notes Priority Collateral is sufficient (for this purpose ignoring all claims held by the Revolving Claimholders thereon), the Notes Claimholders shall be entitled to receive, in addition to amounts distributed to them in respect of principal, pre-petition interest and other claims, all amounts owing in respect of post-petition interest, fees or expenses that is available from their Notes Priority Collateral, before any distribution is made in respect of the Revolving Obligations with respect to such Collateral, with each Revolving Claimholder acknowledging and agreeing to turn over to the Notes Collateral Agent with respect to such Collateral amounts otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the aggregate recoveries of the Revolving Obligations).

SECTION 7. Reliance; Waivers; Etc.

7.1 Reliance. Other than any reliance on the terms of this Agreement, the Revolving~~Collateral Agent~~Lender, on behalf of the Revolving Claimholders, acknowledges that it and such Revolving Claimholders have, independently and without reliance on the Notes Collateral Agent or any Notes Claimholder, and based on documents and information deemed by them appropriate, made their own credit analysis and decision to enter into each of the Revolving Loan Documents and be bound by the terms of this Agreement and they will continue to make their own credit decision in taking or not taking any action under the Revolving Loan Documents or this Agreement. Other than any reliance on the terms of this Agreement, the Notes Collateral Agent acknowledges on behalf of the Notes Claimholders that it and such Notes Claimholders have, independently and without reliance on the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholder, and based on documents and information deemed by them appropriate, made their own credit analysis and decision to enter into each of the Notes Documents and be bound by the terms of this Agreement and they will continue to make their own credit decision in taking or not taking any action under the Notes Documents or this Agreement (it being understood that nothing herein obligates the Notes Collateral Agent or Trustee to make, and the Notes Collateral Agent any Trustee have not made, any credit decisions on behalf of any Notes Claimholders).

7.2 No Warranties or Liability. The Revolving ~~Collateral Agent~~Lender, on behalf of the Revolving Claimholders, acknowledges and agrees that the Notes Collateral Agent has made no express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectability, or enforceability of any of the Notes Documents, the ownership by any Grantor of any Collateral, or the perfection or priority of any Liens thereon. Except as otherwise expressly provided herein, the Notes Collateral Agent and the Notes Claimholders will be entitled to manage and supervise the Notes Documents in accordance

with law and as they may otherwise, in their sole discretion, deem appropriate. The Notes Collateral Agent, on behalf of the Notes Claimholders, acknowledges and agrees that the Revolving ~~Collateral Agent Lender~~ and Revolving Claimholders have made no express or implied representation or warranty, including with respect to the execution, validity, legality, completeness, collectability, or enforceability of any of the Revolving Loan Documents, the ownership of any Collateral, or the perfection or priority of any Liens thereon. Except as otherwise expressly provided herein, the Revolving Claimholders will be entitled to manage and supervise their respective loans and extensions of credit under the Revolving Loan Documents in accordance with law and as they may otherwise, in their sole discretion, deem appropriate. Except as expressly provided herein, the Notes Collateral Agent and Notes Claimholders shall have no duty to the Revolving ~~Collateral Agent Lender~~ or any Revolving Claimholders, and the Revolving ~~Collateral Agent Lender~~ and Revolving Claimholders shall have no duty to the Notes Collateral Agent and Notes Claimholders, to act or refrain from acting in a manner that allows, or results in, the occurrence or continuance of an event of default or default under any agreements with any Grantor (including the Revolving Loan Documents and the Notes Documents), regardless of any knowledge thereof which they may have or be charged with.

7.3 No Waiver of Lien Priorities.

(a) No right of Revolving Claimholders, the Revolving ~~Collateral Agent Lender~~ or any of them to enforce any provision of this Agreement or any Revolving Loan Document shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Grantor or by any act or failure to act by any Revolving Claimholder or the Revolving ~~Collateral Agent Lender~~, or by any noncompliance by any person with the terms, provisions, and covenants of this Agreement, any of the Revolving Loan Documents or any of the Notes Documents, regardless of any knowledge thereof which the Revolving ~~Collateral Agent Lender~~ or Revolving Claimholders, or any of them, may have or be otherwise charged with. No right of Notes Claimholders, the Notes Collateral Agent or any of them to enforce any provision of this Agreement or any Notes Document shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of any Grantor or by any act or failure to act by any Notes Claimholder or the Notes Collateral Agent, or by any noncompliance by any person with the terms, provisions, and covenants of this Agreement, any of the Notes Documents or any of the Revolving Loan Documents, regardless of any knowledge thereof which the Notes Collateral Agent or Notes Claimholders, or any of them, may have or be otherwise charged with.

(b) Subject to any rights of Grantors under the Revolving Loan Documents and the Notes Documents and subject to the provisions of Section 5.3(a), the Revolving ~~Collateral Agent Lender~~ and Revolving Claimholders may, at any time and from time to time in accordance with the Revolving Loan Documents and/or applicable law, without the consent of, or notice to, the Notes Collateral Agent or any Notes Claimholders, without incurring any liabilities to the Notes Collateral Agent or any Notes Claimholders and without impairing or releasing the Lien priorities and other benefits provided in this Agreement (even if any right of subrogation or other right or remedy of the Notes Collateral Agent or Notes Claimholders is affected, impaired, or extinguished thereby) do any one or more of the following without the prior written consent of the Notes Collateral Agent or any Notes Claimholders:

(i) change the manner, place, or terms of payment or change or extend the time of payment of, or amend, renew, exchange, increase, or alter, the terms of any of the Revolving Obligations or any Lien on any Collateral or guarantee thereof or any liability of any Grantor, or any liability incurred directly or indirectly in respect thereof (including any increase in or extension of the Revolving Obligations, without any restriction as to the tenor or terms of any such increase or extension) or otherwise amend, renew, exchange, extend, modify, or supplement in any manner any Liens held by the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholders, the Revolving Obligations, or any of the Revolving Loan Documents;

(ii) sell, exchange, release, surrender, realize upon, enforce or otherwise deal with in any manner and in any order any part of the Revolving Priority Collateral or any liability of any Grantor to Revolving Claimholders or the Revolving ~~Collateral Agent~~Lender, or any liability incurred directly or indirectly in respect thereof;

(iii) settle or compromise any Revolving Obligation or any other liability of any Grantor or any security therefor or any liability incurred directly or indirectly in respect thereof and apply any sums by whomsoever paid and however realized to any liability (including the Revolving Obligations) in any manner or order that is not consistent with the terms of this Agreement; and

(iv) exercise or delay in or refrain from exercising any right or remedy against any Grantor or any other person, elect any remedy and otherwise deal freely with any Grantor or any Revolving Priority Collateral and any security and any guarantor or any liability of any Grantor to Revolving Claimholders or any liability incurred directly or indirectly in respect thereof.

(c) Except as otherwise provided herein, the Notes Collateral Agent and Notes Claimholders also agree that Revolving Claimholders and the Revolving ~~Collateral Agent~~Lender shall have no liability to the Notes Collateral Agent and Notes Claimholders, and the Notes Collateral Agent and Notes Claimholders hereby waive any claim against any Revolving Claimholder or the Revolving ~~Collateral Agent~~Lender, arising out of any and all actions which Revolving Claimholders or the Revolving ~~Collateral Agent~~Lender may, pursuant to the terms hereof, take, permit or omit to take with respect to:

(i) the Revolving Loan Documents;

(ii) the collection of the Revolving Obligations; or

(iii) the foreclosure upon, or sale, liquidation, or other Disposition of, or the failure to foreclose upon, or sell, liquidate, or otherwise dispose of, any Revolving Priority Collateral. The Notes Collateral Agent and Notes Claimholders agree that Revolving Claimholders and the Revolving ~~Collateral Agent~~Lender have no duty to them in respect of the maintenance or preservation of the Revolving Priority Collateral, the Revolving Obligations, or otherwise.

(d) Subject to any rights of Grantors under the Notes Documents and the Revolving Loan Documents and subject to the provisions of [Section 5.3\(b\)](#), the Notes Collateral Agent may, at any time and from time to time in accordance with the Notes Documents and/or applicable law, without the consent of, or notice to, the Revolving [Collateral Agent Lender](#) or the Revolving Claimholders, without incurring any liabilities to the Revolving [Collateral Agent Lender](#) or the Revolving Claimholders and without impairing or releasing the Lien priorities and other benefits provided in this Agreement (even if any right of subrogation or other right or remedy of the Revolving [Collateral Agent Lender](#) or the Revolving Claimholders is affected, impaired, or extinguished thereby) do any one or more of the following without the prior written consent of the Revolving [Collateral Agent Lender](#) and Revolving Claimholders:

(i) change the manner, place, or terms of payment or change or extend the time of payment of, or amend, renew, exchange, increase, or alter, the terms of any of the Notes Obligations or any Lien on any Collateral or guarantee thereof or any liability of any Grantor, or any liability incurred directly or indirectly in respect thereof (including any increase in or extension of the Notes Obligations, without any restriction as to the tenor or terms of any such increase or extension) or otherwise amend, renew, exchange, extend, modify, or supplement in any manner any Liens held by the Notes Collateral Agent or any Notes Claimholders, the Notes Obligations, or any of the Notes Documents;

(ii) subject to [Section 3.8](#), sell, exchange, release, surrender, realize upon, enforce or otherwise deal with in any manner and in any order any part of the Notes Priority Collateral or any liability of any Grantor to Notes Claimholders or the Notes Collateral Agent, or any liability incurred directly or indirectly in respect thereof;

(iii) settle or compromise any Notes Obligation or any other liability of any Grantor or any security therefor or any liability incurred directly or indirectly in respect thereof and apply any sums by whomsoever paid and however realized to any liability (including the Notes Obligations) in any manner or order that is not consistent with this Agreement; and

(iv) exercise or delay in or refrain from exercising any right or remedy against any Grantor or any other person, elect any remedy and otherwise deal freely with any Grantor or any Notes Priority Collateral and any security and any guarantor or any liability of any Grantor to the Notes Collateral Agent or Notes Claimholders or any liability incurred directly or indirectly in respect thereof.

(e) Except as otherwise provided herein, the Revolving Claimholders and the Revolving [Collateral Agent Lender](#) also agree that the Notes Collateral Agent and the Notes Claimholders shall have no liability to the Revolving Claimholders and the Revolving [Collateral Agent Lender](#), and the Revolving Claimholders and the Revolving [Collateral Agent Lender](#) hereby waive any claim against the Notes Collateral Agent and the Notes Claimholders, arising out of any and all actions which the Notes Collateral Agent and the Notes Claimholders may, pursuant to the terms hereof, take, permit or omit to take with respect to:

(i) the Notes Documents;

(ii) the collection of the Notes Obligations; or

(iii) the foreclosure upon, or sale, liquidation, or other Disposition of, or the failure to foreclose upon, or sell, liquidate, or otherwise dispose of, any Notes Priority Collateral. The Revolving Claimholders and the Revolving ~~Collateral Agent~~Lender agree that the Notes Collateral Agent and the Notes Claimholders have no duty to them in respect of the maintenance or preservation of the Notes Priority Collateral, the Notes Obligations, or otherwise.

(f) Until the Discharge of Revolving Obligations and the Discharge of Notes Obligations, each of the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent agrees not to assert and hereby waives, to the fullest extent permitted by law, any right to demand, request, plead, or otherwise assert, or otherwise claim the benefit of, any marshaling, appraisal, valuation, or other similar right that may otherwise be available under applicable law with respect to the other party's Priority Collateral or any other similar rights a junior secured creditor may have under applicable law.

7.4 Obligations Unconditional. For so long as this Agreement is in full force and effect, all rights, interests, agreements and obligations of the Revolving ~~Collateral Agent~~Lender and Revolving Claimholders and the Notes Collateral Agent and Notes Claimholders, respectively, hereunder shall remain in full force and effect irrespective of:

(a) any lack of validity or enforceability of any Revolving Loan Documents or any Notes Documents;

(b) except as otherwise expressly restricted in this Agreement, any change in the time, manner, or place of payment of, or in any other terms of, all or any of the Revolving Obligations or Notes Obligations, or any amendment or waiver or other modification, including any increase in the amount thereof, whether by course of conduct or otherwise, of the terms of any Revolving Loan Document or any Notes Document;

(c) except as otherwise expressly restricted in this Agreement, any exchange of any security interest in any Collateral or any other collateral, or any amendment, waiver or other modification, whether in writing or by course of conduct or otherwise, of all or any of the Revolving Obligations or Notes Obligations or any guarantee thereof;

(d) the commencement of any Insolvency Proceeding in respect of any Grantor; or

(e) any other circumstances which otherwise might constitute a defense available to, or a discharge of, any Grantor in respect of the Revolving ~~Collateral Agent~~Lender, the Revolving Obligations, any Revolving Claimholder, the Notes Collateral Agent, Notes Claimholders, or the Notes Obligations in respect of this Agreement.

SECTION 8. Representations and Warranties.

8.1 Representations and Warranties of Each Party. Each party hereto represents and warrants to the other parties hereto as follows:

- (a) Such party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has all requisite power and authority to execute and deliver this Agreement and to perform its obligations hereunder.
- (b) This Agreement has been duly executed and delivered by such party.

8.2 Representations and Warranties of Each Agent. The Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent each represent and warrant to the other that it has been authorized by any Lender (as defined in the Revolving Lenders Credit Agreement) or holders of Notes, as applicable, under the Existing Revolving Credit Agreement or the Existing Indenture, as applicable, to enter into this Agreement.

SECTION 9. Miscellaneous.

9.1 Conflicts. As between the Revolving Claimholders and the Notes Claimholders, in the event of any conflict between the provisions of this Agreement and the provisions of any of the Revolving Loan Documents or any of the Notes Documents, the provisions of this Agreement shall govern and control.

9.2 Effectiveness; Continuing Nature of This Agreement; Severability. This Agreement shall become effective when executed and delivered by the parties hereto. This is a continuing agreement of lien subordination (as opposed to debt or claim subordination) and Revolving Claimholders may continue, at any time and without notice to the Notes Collateral Agent or Notes Claimholders, to extend credit and other financial accommodations to or for the benefit of any Grantor constituting Revolving Obligations in reliance hereon. Each of the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent hereby waives any right it may have under applicable law to revoke this Agreement or any of the provisions of this Agreement. The terms of this Agreement shall survive, and shall continue in full force and effect, in any Insolvency Proceeding. Consistent with, but not in limitation of, the preceding sentence, the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent, on behalf of the applicable Claimholders, irrevocably acknowledges that this Agreement constitutes a “subordination agreement” within the meaning of both New York law and Section 510(a) of the Bankruptcy Code. Any provision of this Agreement that is prohibited or unenforceable shall not invalidate the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. All references to any Grantor shall include such Grantor as debtor and debtor in possession and any receiver or trustee for such Grantor in any Insolvency Proceeding. This Agreement shall terminate and be of no further force and effect:

(a) with respect to the Revolving ~~Collateral Agent~~Lender, Revolving Claimholders, and the Revolving Obligations, on the date that the Discharge of Revolving Obligations has occurred; and

(b) with respect to the Notes Collateral Agent, Notes Claimholders and the Notes Obligations on the date that the Discharge of Notes Obligations has occurred.

9.3 Amendments; Waivers.

(a) Except as provided in the last sentence of this Section, no amendment, modification, or waiver of any of the provisions of this Agreement shall be effective unless the same shall be in writing signed on behalf of each party hereto or its authorized agent and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the parties making such waiver or the obligations of the other parties to such party in any other respect or at any other time. Any amendments, modifications or waivers can be effected by the Revolving ~~Collateral Agent~~Lender, at the direction of the requisite Revolving Claimholders under the Revolving Credit Agreement, and the Notes Collateral Agent, at the direction of the requisite Notes Claimholders under the Existing Indenture. Notwithstanding the foregoing, (i) no Grantor shall have any right to consent to or approve any amendment, modification or waiver of any provision of this Agreement except (x) so long as no "Event of Default" has occurred and is continuing under either the Revolving Loan Documents or the Notes Documents, with respect to any amendment, modification or waiver of any provision of this Agreement to the extent its rights are directly affected thereby or (y) at all times, amendments, modifications or waivers of Sections 2.3, 3.8(b), 3.8(h), 2.4, 5.1, 5.3, 5.5, 9.3, 9.12 or 9.13, in each case to the extent its rights are directly affected, (ii) ~~any agent for holders of Permitted Additional Pari Passu Lien Obligations, on behalf of itself and such holders, may become a party to this Agreement, without any further action by any other party hereto, upon execution and delivery by such agent of a properly completed joinder agreement which shall be acknowledged by the Issuer, the Notes Collateral Agent and Revolving Collateral Agent~~[reserved] and (iii) any agent for any Additional Revolving Credit Agreement, on behalf of itself and lenders under such Additional Revolving Credit Agreement, any agent for any Replacement Revolving Credit Agreement and lenders under such Replacement Revolving Credit Agreement or any agent or trustee for the holders of any debt resulting from a Refinancing of the Notes Obligations, may become a party to this Agreement, without any further action by any other party hereto, upon execution and delivery by such agent of a properly completed joinder agreement attached hereto as Exhibit A ("Revolving Joinder Agreement") which shall be acknowledged by the Parent and the Notes Collateral Agent.

(b) It is understood that the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent, without the consent of any other Revolving Claimholder or Notes Claimholder, may in their discretion determine that a supplemental agreement (which may take the form of an amendment and restatement of this Agreement) is necessary or appropriate to facilitate having additional indebtedness or other obligations, including any Refinancing of the Revolving Obligations, any Additional Revolving Credit Facility, ~~any Permitted Additional Pari Passu Lien Obligations~~, or any Refinancing of the Notes

Obligations (“Additional Debt”) of any of the Grantors become Revolving Obligations or Notes Obligations, as the case may be, under this Agreement, which supplemental agreement shall specify whether such Additional Debt constitutes Revolving Credit Obligations or Notes Obligations; provided, that such Additional Debt is permitted to be incurred by the Revolving Loan Documents and the Notes Documents as then in effect, and is permitted by such agreements to be subject to the provisions of this Agreement as Revolving Credit Obligations or Notes Obligations, as applicable.

(c) In the event that the Notes Collateral Agent does not take the actions contemplated by Section 9.3(b) in connection with any permitted Additional Debt within ten (10) Business Days after the delivery of a written request to do so and delivery by the Issuer or Parent of an officers certificate and opinion of counsel, the Revolving ~~Collateral Agent~~Lender, without the consent of the Notes Collateral Agent, may modify this Agreement (which modification may take the form of an amendment and restatement of this Agreement) for the sole purpose and sole effect of having any Additional Debt become Revolving Credit Obligations under this Agreement, which agreement shall specify that such Additional Debt constitutes Revolving Credit Obligations; provided, that such Additional Debt is permitted to be incurred pursuant to the Notes Documents as then in effect, and is permitted by such agreement (as determined by the Revolving ~~Collateral Agent~~Lender in good faith and certified by an officer of the Parent to the Notes Collateral Agent) to be subject to the provisions of this Agreement as Revolving Credit Obligations.

9.4 Information Concerning Financial Condition of the Revolving Borrowers, the Issuer and Their Subsidiaries The Revolving ~~Collateral Agent~~Lender and Revolving Claimholders, on the one hand, and the Notes Collateral Agent and Notes Claimholders, on the other hand, shall each be responsible for keeping themselves informed of (a) the financial condition of the Revolving Borrowers, the Issuer, their Subsidiaries and all endorsers and/or guarantors of the Revolving Obligations or the Notes Obligations and (b) all other circumstances bearing upon the risk of nonpayment of the Revolving Obligations or the Notes Obligations; *provided that*, nothing herein shall obligate the Notes Collateral Agent for keeping itself informed of the financial condition of the Issuer or Notes Guarantors or other circumstances bearing upon non-payment beyond that which may be required by the Existing Indenture. The Revolving ~~Collateral Agent~~Lender and Revolving Claimholders shall have no duty to advise the Notes Collateral Agent and Notes Claimholders of information known to it or them regarding such condition or any such circumstances or otherwise. The Notes Collateral Agent and Notes Claimholders shall have no duty to advise the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholder of information known to it or them regarding such condition or any such circumstances or otherwise. In the event the Revolving ~~Collateral Agent~~Lender or any Revolving Claimholders, or the Notes Collateral Agent or any Notes Claimholders, in its or their sole discretion, undertake at any time or from time to time to provide any such information to any other party to this Agreement, it or they shall be under no obligation:

(a) to make, and the Revolving ~~Collateral Agent~~Lender and the Revolving Claimholders, or the Notes Collateral Agent and the Notes Claimholders, as the case may be, shall not be required to make, any express or implied representation or warranty, including with respect to the accuracy, completeness, truthfulness, or validity of any such information so provided;

-
- (b) to provide any additional information or to provide any such information on any subsequent occasion;
 - (c) to undertake any investigation; or
 - (d) to disclose any information, which pursuant to accepted or reasonable commercial practices, such party wishes to maintain confidential or is otherwise required to maintain confidential.

9.5 Subrogation. (a) With respect to any payments or distributions in cash, property, or other assets that any Notes Claimholders or the Notes Collateral Agent pays over to the Revolving ~~Collateral Agent~~Lender or Revolving Claimholders under the terms of this Agreement, Notes Claimholders and the Notes Collateral Agent shall be subrogated to the rights of the Revolving ~~Collateral Agent~~Lender and Revolving Claimholders and (b) with respect to any payments or distributions in cash, property, or other assets that any Revolving Claimholders or the Revolving ~~Collateral Agent~~Lender pays over to the Notes Collateral Agent or Notes Claimholders under the terms of this Agreement, Revolving Claimholders and the Revolving ~~Collateral Agent~~Lender shall be subrogated to the rights of the Notes Collateral Agent and Notes Claimholders; provided, however, that the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent each hereby agree not to assert or enforce any such rights of subrogation it may acquire as a result of any payment hereunder until the Discharge of all Revolving Obligations or Discharge of Notes Obligations, as applicable, has occurred. Any payments or distributions in cash, property or other assets received by the Revolving ~~Collateral Agent~~Lender or the Revolving Claimholders that are paid over to the Notes Collateral Agent or Notes Claimholders pursuant to this Agreement shall not reduce any of the Revolving Obligations. Any payments or distributions in cash, property or other assets received by the Notes Collateral Agent or Notes Claimholders that are paid over to the Revolving ~~Collateral Agent~~Lender or Revolving Claimholders pursuant to this Agreement shall not reduce any of the Notes Obligations. Notwithstanding the foregoing provisions of this Section 9.5, none of the Revolving Claimholders shall have any claim against any of the Notes Claimholders for any impairment of any subrogation rights herein granted to the Notes Claimholders and none of the Notes Claimholders shall have any claim against any of the Revolving Claimholders for any impairment of any subrogation rights herein granted to the Revolving Claimholders.

9.6 GOVERNING LAW; CONSENT TO JURISDICTION AND VENUE. THIS AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN SUCH STATE AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. EACH OF THE PARTIES HERETO HEREBY CONSENTS AND AGREES THAT THE STATE OR FEDERAL COURTS LOCATED IN NEW YORK, NEW YORK SHALL HAVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES AMONG THE PARTIES HERETO PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR

RELATING TO THIS AGREEMENT. EACH OF THE PARTIES HERETO EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND EACH OF THE PARTIES HERETO HEREBY WAIVES ANY OBJECTION WHICH IT MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS.

9.7 Notices. All notices to the Revolving Claimholders permitted or required under this Agreement shall also be sent to the Revolving ~~Collateral Agent~~ Lender. All notices to the Notes Claimholders permitted or required under this Agreement shall also be sent to the Notes Collateral Agent and the Trustee. Unless otherwise specifically provided herein, any notice hereunder shall be in writing and may be personally served or sent by telefacsimile or United States mail or courier service or electronic mail and shall be deemed to have been given and received when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile or electronic mail, or 3 Business Days after depositing it in the United States mail with postage prepaid and properly addressed. For the purposes hereof, the addresses of the parties hereto shall be as is designated by such party on the signature pages hereto. The Parent shall provide written notice to the Revolving ~~Collateral Agent~~ Lender of the Discharge of the Notes Obligations and shall provide written notice to the Notes Collateral Agent of the Discharge of Revolving Obligations.

9.8 Further Assurances. The Revolving ~~Collateral Agent~~ Lender and the Notes Collateral Agent each agree to take such further action and shall execute and deliver such additional documents and instruments (in recordable form, if requested) as the Revolving ~~Collateral Agent~~ Lender or the Notes Collateral Agent may reasonably request to effectuate the terms of and the Lien priorities contemplated by this Agreement, all at the expense of Grantors to the extent provided in the Revolving Loan Documents or the Notes Documents, as applicable.

9.9 Binding on Successors and Assigns. This Agreement shall be binding upon the Revolving ~~Collateral Agent~~ Lender, Revolving Claimholders, the Notes Collateral Agent, Notes Claimholders, and their respective successors and assigns.

9.10 Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose or be given any substantive effect.

9.11 Counterparts. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith by telecopy or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement or such other document or instrument, as applicable.

9.12 No Third Party Beneficiaries. This Agreement and the rights and benefits hereof shall inure to the benefit of each of the parties hereto and its respective successors and assigns and shall inure to the benefit of and bind each of Revolving Claimholders and Notes

Claimholders. Except as set forth in Section 9.3, no Grantor shall be a third party beneficiary of this Agreement, including any Grantor which may purchase loans under the Revolving Credit Agreement or Notes.

9.13 Provisions Solely to Define Relative Rights The provisions of this Agreement are and are intended solely for the purpose of defining the relative rights of the Revolving ~~Collateral Agent~~Lender and Revolving Claimholders on the one hand and the Notes Collateral Agent and the Notes Claimholders on the other hand. Except as set forth in Section 9.3, (x) no Grantor nor any other creditor thereof shall have any rights hereunder and (y) no Grantor may rely on the terms hereof. Nothing in this Agreement shall impair, as between Grantors and the Revolving ~~Collateral Agent~~Lender and Revolving Claimholders, or as between Grantors and the Notes Collateral Agent and Notes Claimholders, the obligations of Grantors to pay principal, interest, fees and other amounts as provided in the Revolving Loan Documents and the Notes Documents, respectively.

9.14 Specific Performance. Each of the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent may demand specific performance of this Agreement. The Revolving ~~Collateral Agent~~Lender, on behalf of itself and the Revolving Claimholders, and the Notes Collateral Agent, on behalf of itself and the Notes Claimholders, hereby irrevocably waive any defense based on the adequacy of a remedy at law and any other defense which might be asserted to bar the remedy of specific performance in any action which may be brought by the Revolving ~~Collateral Agent~~Lender or the other Revolving Claimholders or the Notes Collateral Agent or the other Notes Claimholders, as applicable. Without limiting the generality of the foregoing or of the other provisions of this Agreement, in seeking specific performance in any Insolvency Proceeding, the Revolving ~~Collateral Agent~~Lender or the Notes Collateral Agent may seek such or any other relief as if it were the "holder" of the claims of the other agent's Claimholders under Section 1126(a) of the Bankruptcy Code or otherwise had been granted an irrevocable power of attorney by the other agent's Claimholders.

9.15 Indenture Protections. In connection with its execution and acting under this Agreement, the Notes Collateral Agent is entitled to all rights, privileges, protections, immunities, benefits and indemnities provided to it under the Existing Indenture, all of which are incorporated by reference herein *mutatis mutandis*.

9.16 Waiver of Jury Trial

EACH PARTY HERETO WAIVES THE RIGHT TO A JURY IN ANY TRIAL OF ANY CASE OR CONTROVERSY IN WHICH ANY PARTY HERETO IS OR BECOMES A PARTY (WHETHER SUCH CASE OR CONTROVERSY IS INITIATED BY OR AGAINST ANY PARTY HERETO OR IN WHICH ANY PARTY IS JOINED AS A PARTY LITIGANT), WHICH CASE OR CONTROVERSY ARISES OUT OF OR IS IN RESPECT OF, ANY RELATIONSHIP AMONGST OR BETWEEN THE PARTIES HERETO OR ANY OTHER PERSON AND EACH REVOLVING CLAIMHOLDER AND NOTES CLAIMHOLDER LIKEWISE WAIVES THE RIGHT TO A JURY IN ANY TRIAL OF ANY SUCH CASE OR CONTROVERSY.

9.17 Additional Grantors.

The Parent shall cause each Person that becomes a Grantor after the day hereof to execute an acknowledgement of this Agreement substantially in the form attached hereto and deliver it to the Revolving ~~Collateral Agent~~Lender and the Notes Collateral Agent.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

~~WELLS FARGO BANK, NATIONAL ASSOCIATION~~Siena Lending Group LLC, as the Revolving ~~Collateral Agent~~Lender

By: _____
Name: Gill Elmore
Title: Authorized Signatory

By: _____
Name: ~~WELLS FARGO BANK, NATIONAL ASSOCIATION~~Steven Sanicola
Title: Authorized Signatory

Name: SIENA LENDING GROUP LLC
Address: ~~2450 Colorado Avenue~~
~~Suite 3000 West~~
~~Santa Monica, CA 90404~~9 W Broad Street,
5th floor, Suite 540 Stamford, Connecticut 06902
Facsimile: ~~(310) 453-7442~~
Attention: ~~Loan Portfolio Manager~~Steve Sanicola
Email: ssanicola@sienalending.com

with a copy (which shall not constitute notice) to:

Name: ~~Paul Hastings~~Blank Rome LLP
Address: ~~695 Town Center Drive~~
~~Seventeenth Floor~~
~~Costa Mesa, CA 92626~~1271 Avenue of the Americas New York, NY 10020
Facsimile: ~~(714) 668-6338~~
Attention: ~~Katherine E. Bell~~Lawrence F. Flick II, Esq.
Telephone: ~~(714) 668-6238~~
E-mail: ~~Katherinebell@paulhastings~~flick@blankrome.com

[SIGNATURE PAGE TO INTERCREDITOR AGREEMENT]

U.S. BANK NATIONAL ASSOCIATION,
as the Notes Collateral Agent

By: _____
Name: Paula Oswald
Title: Vice President

Name: U.S. Bank National Association
Address: Global Corporate Trust Services
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071

Facsimile: (213) 615-6197
Attention: P. Oswald (Salem Media)

[SIGNATURE PAGE TO INTERCREDITOR AGREEMENT]

ACKNOWLEDGMENT

Each of the undersigned hereby acknowledges that it has received a copy of the foregoing Intercreditor Agreement and consents thereto, agrees to recognize all rights granted thereby to the Revolving ~~Collateral Agent~~ Lender, Revolving Claimholders, the Notes Collateral Agent and Notes Claimholders, and will not do any act or perform any obligation which is not in accordance with the agreements set forth therein. Each of ~~the~~ undersigned further acknowledges and agrees that it is not an intended beneficiary or third party beneficiary under the foregoing Intercreditor Agreement except as set forth in Section 9.3 of the Intercreditor Agreement.

Acknowledged as of the date first written above:

PARENT, ISSUER, AND A REVOLVING BORROWER:

SALEM MEDIA GROUP, INC., A Delaware corporation

By: _____

Name: Evan D. Masyr

Title: Chief Financial Officer

REVOLVING BORROWERS AND NOTES GUARANTORS:

AIR HOT, INC.
BISON MEDIA, INC.
~~CARON BROADCASTING, INC.~~
~~COMMON GROUND BROADCASTING, INC.~~
INSPIRATION MEDIA, INC.
NEW INSPIRATION BROADCASTING COMPANY, INC.
NI ACQUISITION CORP.
~~PENNSYLVANIA MEDIA ASSOCIATES, INC.~~
REACH SATELLITE NETWORK, INC.
SALEM CONSUMER PRODUCTS, INC.
SALEM COMMUNICATIONS HOLDING CORPORATION
SALEM MEDIA OF COLORADO, INC.
SALEM MEDIA OF HAWAII, INC.
~~SALEM MEDIA OF KENTUCKY, INC.~~
SALEM MEDIA OF OHIO, INC.
SALEM MEDIA OF OREGON, INC.
SALEM MEDIA OF TEXAS, INC.
~~SALEM MEDIA OF VIRGINIA, INC.~~
~~SALEM MEDIA REPRESENTATIVES, INC.~~
SALEM ~~PUBLISHING~~ MEDIA REPRESENTATIVES, INC.
SALEM RADIO NETWORK INCORPORATED
SALEM RADIO PROPERTIES, INC.
SCA LICENSE CORPORATION
~~SOUTH TEXAS BROADCASTING, INC.~~
SRN NEWS NETWORK, INC.
SRN STORE, INC.

[SIGNATURE PAGE TO INTERCREDITOR AGREEMENT]

SALEM NEWS, INC.
SALEM MANAGEMENT SERVICES, INC.

By: _____
Name: Evan D. Masyr
Title: Chief Financial Officer

[SIGNATURE PAGE TO INTERCREDITOR AGREEMENT]

**REVOLVING BORROWERS
AND NOTES GUARANTORS:**

**INSPIRATION MEDIA OF TEXAS, LLC
BY: SCA LICENSE CORPORATION
its Managing Member**

**SALEM MEDIA OF ILLINOIS, LLC
BY: SCA LICENSE CORPORATION
its Managing Member**

**SALEM MEDIA OF MASSACHUSETTS, LLC
BY: SCA LICENSE CORPORATION
its Managing Member**

**SALEM MEDIA OF NEW YORK, LLC
BY: SCA LICENSE CORPORATION
its Managing Member**

**SALEM RADIO OPERATIONS, LLC
BY: SCA LICENSE CORPORATION
its Managing Member**

**SALEM SATELLITE MEDIA, LLC
BY: SCA LICENSE CORPORATION
its Managing Member**

**SALEM WEB NETWORK, LLC
BY: SCA LICENSE CORPORATION
its Managing Member**

**SCA-PALO ALTO, LLC
BY: SCA LICENSE CORPORATION
its Managing Member**

By: _____
Name: Evan D. Masyr
Title: Chief Financial Officer

**EAGLE PRODUCTS, LLC
BY: CARON BROADCASTING, INC.,
its Managing Member**

By: _____
Name: Evan D. Masyr
Title: Chief Financial Officer

[SIGNATURE PAGE TO INTERCREDITOR AGREEMENT]

HISPANOS COMMUNICATIONS, LLC
BY: SALEM MEDIA GROUP, INC.,
its Managing Member

By: _____
Name:
Title:

NEWS AGGREGATOR LLC
BY: SALEM COMMUNICATIONS HOLDING
CORPORATION,
its Sole Member

By: _____
Name:
Title:

[SIGNATURE PAGE TO INTERCREDITOR AGREEMENT]

REVOLVING JOINDER AGREEMENT

Reference is hereby made to the Intercreditor Agreement, dated as of May 19, 2017 (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), among ~~Wells Fargo Bank, National Association~~ SIENA LENDING GROUP LLC, as Revolving ~~Collateral Agent~~ Lender, U.S. Bank National Association, as Notes Collateral Agent and the other parties thereto, to which this Joinder is attached. All capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Agreement when used herein. The undersigned, in its capacity as [Revolving ~~Collateral Agent~~ Lender/[agent or trustee] for the holders of debt resulting from the Refinancing of Notes Obligations] hereby acknowledges the terms and conditions of the Agreement and agrees to be bound thereby. For all purposes of the Agreement, [identify agreement] shall be a [Replacement Revolving Credit Agreement/Additional Revolving Credit ~~Agreement~~ Agreement/[agent or trustee] for the holders of debt resulting from the Refinancing of Notes Obligations] thereunder.

We hereby advise you of the following administrative details:

Name: _____
Address: _____
Facsimile: _____
Telephone: _____
E-mail: _____
Attention: _____

[Revolving ~~Collateral Agent~~ Lender][[agent or trustee] for the holders of debt resulting from the Refinancing of Notes Obligations]

By: _____
Name: _____
Title: _____

Acknowledged and Agreed

SALEM MEDIA GROUP, INC.,
as Parent

By: _____
Name:
Title:

Acknowledged by:

U.S. BANK NATIONAL ASSOCIATION,
as Notes Collateral Agent

By: _____
Name:
Title:

Salem Media Group Announces New Revolving Credit Facility with Siena Lending Group

IRVING, Texas—(BUSINESS WIRE)— Salem Media Group, Inc. (NASDAQ: SALM) (the “Company”) today announced that it has closed a new \$26.0 million 3-year asset-based revolving credit facility with Siena Lending Group (the “New Revolving Facility”), which refinanced its prior revolving facility with Wells Fargo Bank.

Obligations under the New Revolving Facility are secured by a first-priority lien on the Company’s and its subsidiaries’ accounts receivable, inventory, deposit and securities accounts, certain real estate and related assets, and a second-priority lien on substantially all other assets of the Company and its subsidiaries.

FORWARD LOOKING STATEMENTS:

Statements used in this press release that relate to future plans, events, financial results, prospects or performance are forward-looking statements as defined under the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those anticipated as a result of certain risks and uncertainties, including but not limited to our ability to close and integrate announced transactions, market acceptance of our radio station formats, competition from new technologies, inflation and other adverse economic conditions, and other risks and uncertainties detailed from time to time in our reports on Forms 10-K, 10-Q, 8-K and other filings filed with or furnished to the Securities and Exchange Commission. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. We undertake no obligation to update or revise any forward-looking statements to reflect new information, changed circumstances or unanticipated events.

ABOUT SALEM MEDIA GROUP:

Salem Media Group is America’s leading multimedia company specializing in Christian and conservative content, with media properties comprising radio, digital media and book and newsletter publishing. Each day Salem serves a loyal and dedicated audience of listeners and readers numbering in the millions nationally. With its unique programming focus, Salem provides compelling content, fresh commentary and relevant information from some of the most respected figures across the Christian and conservative media landscape. Learn more about Salem Media Group, Inc. at www.salemma.com.

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