

ENTERED

February 06, 2024

Nathan Ochsner, Clerk

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:	§	
	§	Chapter 11
	§	
AUDACY, INC., <i>et al.</i> ,	§	Case No. 24-90004 (CML)
	§	
Debtors. ¹	§	(Jointly Administered)
	§	
	§	

ORDER APPROVING COMPROMISE

[Relates to Docket No. 196]

Upon consideration of the *Debtors' Emergency Motion to Authorizing the Debtors to Enter Into Settlement Agreement with Broadcast Music Inc. and Otis Parent Inc. and Granting Related Relief* (the "**Motion**");² and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334 and the Amended Standing Order; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. § 1408; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at any hearing before this

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <https://dm.epiq11.com/Audacy>. The location of the Debtors' corporate headquarters and service address for purposes of these chapter 11 cases is: 2400 Market Street, 4th Fl, Philadelphia, PA 19103.

² Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Motion.

Court; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and all objections to the Motion or the relief requested therein that have not been withdrawn, if any, having been overruled on the merits with prejudice; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Settlement Agreement attached to this Order as **Exhibit A** is approved, and the Debtors are authorized to perform any and all obligations thereunder under all applicable provisions of the Bankruptcy Code.

2. All amounts to be paid by the Debtors pursuant to the Settlement Agreement, including all indemnity obligations thereunder and under any Lost Security Affidavit and Indemnity provided by the Debtors, shall constitute allowed administrative expenses of the estates pursuant to sections 503(b) and 507(a)(2) of the Bankruptcy Code and shall not be altered or discharged by any chapter 11 plan confirmed in these Chapter 11 Cases.

3. The automatic stay pursuant to section 362 of the Bankruptcy Code is hereby modified with respect to the Debtors to the extent necessary to allow BMI, without further order of this Court, to take any actions contemplated by the Settlement Agreement in accordance with the terms and conditions thereof.

4. The Debtors are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.

5. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).

6. Notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) and the Bankruptcy Local Rules are satisfied by such notice.

7. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Order are immediately effective and enforceable upon its entry.

8. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Signed: February 06, 2024



Christopher Lopez
United States Bankruptcy Judge

Exhibit A

Settlement Agreement

SETTLEMENT AGREEMENT

This Settlement Agreement (this “Agreement”) is entered into as of January 31, 2024, by and among Broadcast Music, Inc. (“BMI”), Otis Parent, Inc. (“Parent”), and Audacy, Inc. (“Audacy”). BMI and Audacy shall be referred to herein each as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, on November 20, 2023, BMI, Parent (an affiliate of New Mountain Capital, L.L.C. (“NMC”)), and Otis Merger Sub, Inc., a Delaware corporation (“Merger Sub”), entered into an Agreement and Plan of Merger (as amended, modified or supplemented from time to time, the “Merger Agreement”), pursuant to which, among other things, on the terms and subject to the conditions contained in the Merger Agreement: (a) Merger Sub will be merged with and into BMI, with BMI surviving such merger as a wholly-owned subsidiary of Parent (the “Merger”), and (b) at the effective time of the Merger, each outstanding share of common stock of BMI, par value \$1.00 per share (“BMI Common Stock”), outstanding immediately prior to the closing of the Merger will be converted into the right to receive a specified amount in cash (“Per Share Merger Consideration”);

WHEREAS, Audacy (a) has presented evidence that the record owners of the shares of BMI Common Stock represented by Certificate Nos. 1626, 1778, 1797, 1876, 1883, 2083, 2201 and 2259, as reflected in BMI’s books and records, are predecessors-in-interest to entities that are wholly-owned subsidiaries of Audacy (the “Eight Cert. Shares”); (b) asserts that Audacy, through certain of its subsidiaries, is the legal owner of the shares of BMI Common Stock represented by Certificate No. 2192 (the “Cert. 2192 Shares”); and (c) asserts that Audacy, through certain of its subsidiaries, is the legal owner of certain additional shares of BMI Common Stock, including the shares of BMI Common Stock represented by Certificate No. 2038 (the “Cert. 2038 Shares”) and the shares of BMI Common Stock represented by Certificate No. 2053 (the “Cert. 2053 Shares,” and together with the Cert. 2038 Shares, the “Settled Shares”) (subparts (a)-(c), are herein referred to together as the “Share Claims”);

WHEREAS, on January 7, 2024 (the “Petition Date”), Audacy and forty-seven (47) of its subsidiaries (together, the “Debtors”) filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”), thereby commencing bankruptcy proceedings that are jointly administered under Case No. 24-90004 (Bankr. S.D. Tex. Jan. 7, 2024) (the “Bankruptcy Proceeding”);

WHEREAS, in connection with the Bankruptcy Proceeding, the Debtors entered into that certain Restructuring Support Agreement (the “RSA”), dated as of January 4, 2024, with Consenting First Lien Lenders and the Consenting Second Lien Noteholders (as those terms are defined in the RSA);

WHEREAS, in connection with the Bankruptcy Proceeding, the Debtors identified BMI as an unsecured creditor with a claim in the amount of \$3,558,403.97 as of the Petition Date, which amount BMI disputes;

WHEREAS, BMI asserts that BMI has a prepetition claim against certain of the Debtors in the amount of \$10,935,008.99, comprised of (a) \$1,677,372.03, inclusive of accrued interest, in connection with a dispute (the “Audit Dispute”) arising from an audit conducted by BMI with respect to fees owed by certain of the Debtors to BMI for the years 2017, 2018, and 2019 (the “2017-2019 Audit”); and (b) \$9,257,636.96 (the “Unpaid Fees Dispute”), which includes an alleged balance of \$7,235,061.40 in unpaid fees (inclusive of an alleged unpaid balance from September 2018 in the amount of \$1,288,488.70 (the “2018 Unpaid Balance Dispute”)) and alleged unpaid late fees of \$2,022,575.56; and

WHEREAS, in order to avoid the expense, burden, and uncertainty inherent in any litigation, and without admissions or concessions of any kind, the Parties now desire to fully and finally settle and compromise the Share Claims and the Audit Dispute, among other matters, on the terms set forth below;

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements set forth below, as well as other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SETTLEMENT TERMS

1. Eight Cert. Shares; Cert. 2192 Shares. With respect to the shares of BMI Common Stock represented by Certificate Nos. 1626, 1778, 1797, 1876, 1883, 2083, 2192, 2201 and 2259:

A. Within two (2) business days after execution of this Agreement, Audacy will deliver and submit to BMI a lost security affidavit and indemnity agreement in respect of each certificate in the form previously agreed by the Parties, which the Parties acknowledge and agree will (a) be duly executed by Audacy and the applicable Audacy subsidiary that is the legal owner of the subject shares (each such subsidiary, an “Audacy Entity”); and (b) expressly provide that Audacy and the applicable Audacy Entity party thereto indemnifies and holds harmless BMI and NMC, and each of BMI’s and NMC’s respective subsidiaries and affiliates, and their respective officers, directors, employees, agents, successors and assigns and any direct and indirect investors in Parent and their respective successors and assigns, from and against any and all liabilities, losses, judgments, costs or damages (including reasonable attorneys’ fees) of any and every kind arising from the loss, theft, or destruction of the applicable certificates that are the subject of such lost security affidavit and indemnity agreement and any of the statements made therein, provided, however, that nothing in the lost security affidavit and indemnity agreement shall be deemed to require that Audacy or any Audacy Entity indemnify nor hold harmless any person or entity that was an equityholder of BMI (in such person’s or entity’s capacity as such) prior to its expected merger with Merger Sub (a lost security affidavit and indemnity agreement satisfying these conditions is referred to herein as a “Lost Security Affidavit/Indemnity”).

B. Within one (1) business day after satisfaction of the Effective Conditions (as defined below), BMI shall (i) countersign each Lost Security Affidavit/Indemnity delivered and submitted by Audacy in respect of the Eight Cert. Shares and the Cert. 2192 Shares as contemplated by subsection 1(A) hereof and (ii) issue and deliver to each Audacy

Entity a new stock certificate (a “New Certificate”) in respect of each such countersigned Lost Security Affidavit/Indemnity referenced in the foregoing clause (i), such that, upon closing of the Merger, such Audacy Entity may receive payment of the Per Share Merger Consideration in respect of the shares represented by the New Certificate from the paying agent appointed by BMI and Parent in connection with the Merger (the “Paying Agent”), subject to such Audacy Entity’s (x) submission to the Paying Agent of such New Certificate together with a properly completed and duly executed letter of transmittal and (y) compliance with the Paying Agent’s instructions for receipt of payment of the Per Share Merger Consideration. The Paying Agent’s instructions shall be substantially the same as have been provided to Audacy.

2. Settled Shares.

A. Cert. 2038 Shares. The Per Share Merger Consideration payable to the legal owner of the Cert. 2038 Shares will be held by the Paying Agent for at least one hundred and twenty (120) days immediately following the closing of the Merger. If no other individual or entity asserts a claim of ownership supported by reasonable documentation (a “Claimant”) with respect to the Cert. 2038 Shares during the 120-day period immediately following the closing of the Merger, BMI will accept and countersign a Lost Security Affidavit/Indemnity from Audacy with respect to the Cert. 2038 Shares, such that Audacy may receive payment of the Per Share Merger Consideration in respect of the Cert. 2038 Shares from the Paying Agent, subject to Audacy’s (x) submission to the Paying Agent of the Lost Security Affidavit/Indemnity for the Cert. 2038 Shares together with a properly completed and duly executed letter of transmittal and (y) compliance with the Paying Agent’s instructions for receipt of payment of the Per Share Merger Consideration. The Paying Agent’s instructions shall be substantially the same as have been provided to Audacy.

B. Cert. 2053 Shares. The Per Share Merger Consideration payable to the legal owner of the Cert. 2053 Shares will be held by the Paying Agent for at least ninety (90) days immediately following the closing of the Merger. If no Claimant asserts a claim of ownership supported by reasonable documentation with respect to the Cert. 2053 Shares during the 90-day period immediately following the closing of the Merger, BMI will accept and countersign a Lost Security Affidavit/Indemnity from Audacy with respect to the Cert. 2053 Shares, such that Audacy may receive payment of the Per Share Merger Consideration in respect of the Cert. 2053 Shares from the Paying Agent, subject to Audacy’s (x) submission to the Paying Agent of the Lost Security Affidavit/Indemnity for the Cert. 2053 Shares together with a properly completed and duly executed letter of transmittal and (y) compliance with the Paying Agent’s instructions for receipt of payment of the Per Share Merger Consideration. The Paying Agent’s instructions shall be substantially the same as have been provided to Audacy.

C. Resolution Process.

i. If any Claimant asserts a claim of ownership with respect to (x) the Cert. 2038 Shares during the 120-day period immediately following the closing of the Merger, or (y) the Cert. 2053 Shares during the 90-day period immediately

following the closing of the Merger, then the Parties will attempt in good faith to resolve the ownership of the subject Settled Shares and will use reasonable best efforts retain a neutral third-party reasonably acceptable to all parties (including the Claimant) to determine the ownership of the subject Settled Shares, the decision of whom shall be binding upon the Parties and the Claimant(s) (the “Arbitration Process”); provided, however, that if a Claimant is unwilling to participate in the Arbitration Process, the Parties and such Claimant may proceed to resolve the relevant dispute with such Claimant before a court of competent jurisdiction.

ii. Audacy’s documentation in support of its claim to ownership of the Settled Shares will be deemed sufficient by BMI unless (a) a Claimant presents to BMI reasonable documentation supporting such Claimant’s legal ownership of Settled Shares (in which case BMI will remain neutral pending resolution of the ownership of the Settled Shares claimed by the Claimant); or (b) there is a final determination by the neutral third-party in connection with the Arbitration Process or by a court of competent jurisdiction that such Claimant’s claim to ownership of the subject Settled Shares is superior to Audacy’s claim.

3. Indemnity. Upon (x) the issuance of a New Certificate by BMI to the applicable Audacy Entity with respect to the Eight Cert. Shares or the Cert. 2192 Shares, or (y) the acceptance and countersignature by BMI of a Lost Security Affidavit/Indemnity from Audacy with respect to any Settled Shares, Audacy shall indemnify and hold harmless BMI and NMC, and each of BMI’s and NMC’s respective subsidiaries and affiliates, and their respective officers, directors, employees, agents, successors and assigns and any direct and indirect investors in Parent and their respective successors and assigns, from and against any and all liabilities, losses, judgments, costs or damages (including reasonable attorneys’ fees) of any and every kind arising from (a) any of the representations by Audacy or any Audacy Entity in any such Lost Security Affidavit/Indemnity; and (b) any third party claim to ownership of the shares that are the subject of any such New Certificate or Lost Security Affidavit/Indemnity. NMC, with respect to and on behalf of itself and any of its subsidiaries and affiliates and any of the foregoing’s respective officers, directors, employees, agents, equityholders, successors and assigns, shall be an express third party beneficiary of and have the right to enforce its rights under this Paragraph 3. Notwithstanding anything to the contrary in this Paragraph 3, in no event shall the foregoing be deemed to require that Audacy or any Audacy Entity indemnify nor hold harmless pursuant to this Paragraph 3 any person or entity that was an equityholder of BMI (in such person’s or entity’s capacity as such) prior to its expected merger with Merger Sub. Audacy and BMI hereby agree that all indemnification obligations of any Debtor under this Paragraph 3 or under any Lost Security Affidavit/Indemnity shall be allowed administrative expenses of such Debtor.

4. Claims Settlement.

A. With respect to the Audit Dispute, the Debtors and BMI hereby acknowledge and agree that BMI shall have an allowed (as such term is used in the Bankruptcy Code) prepetition claim in the amount of \$550,000.00, not subject to defenses or offsets, including setoff or recoupment. Pursuant to this Agreement, within five (5) business days after satisfaction of the Effective Conditions (as defined below), the Debtors shall remit payment to BMI in the amount of \$550,000.00 in cash in full satisfaction of

claims arising out of (x) the 2017-2019 Audit and (y) Audacy's 2020 revenue subject to license fees for the calendar year ending December 31, 2020. Upon the receipt by BMI of the \$550,000.00, BMI shall acknowledge that such payment is in full satisfaction of any outstanding account balances owed to BMI by Audacy on account of the revenues and fees from (1) the period covered by the 2017-2019 Audit (other than the 2018 Unpaid Balance Dispute, which the Parties acknowledge and agree is part of the Unpaid Fees Dispute to be resolved as contemplated by Paragraph 4.B below and is not part of the Audit Dispute), and (2) the calendar year ending December 31, 2020.

B. The Parties shall work in good faith to settle, compromise, and resolve any disputes with regard to the Unpaid Fees Dispute within 60 days of the closing of the Merger, and, subject to satisfaction of the Effective Conditions, the Debtors shall pay to BMI all resolved and undisputed portions of the Unpaid Fees Dispute as soon as reasonably practicable after the later of (i) the Parties' resolution of such disputes and (ii) the satisfaction of the Effective Conditions. Pursuant to the Approval Order (as defined below), the Debtors and BMI may settle, compromise, or resolve any disputes with regard to the Unpaid Fees Dispute without any further notice to or action, order, or approval of the Bankruptcy Court; provided, however, that to the extent such settlement, compromise or resolution occurs prior to the effective date of Debtors' Joint Prepackaged Plan of Reorganization (the "Plan"), the Debtors shall provide notice to the Ad hoc First Lien Group and Ad Hoc Second Lien Group disclosing the resolved amount of the Unpaid Fees; provided, further, that to the extent any portion of the Unpaid Fees Dispute remains disputed 60 days following the closing of the Merger, either BMI or Audacy may bring such unresolved disputes to the Bankruptcy Court for resolution provided the Debtors' case remains open. All resolved fees in connection with the Unpaid Fees Dispute shall be deemed Allowed General Unsecured Claims classified in Class 6 under the Plan and paid in full in cash in accordance with the confirmed Plan. For the avoidance of doubt, the parties reserve any and all rights, claims, counterclaims, and defenses with respect to the Unpaid Fees Dispute.

5. Releases.

A. Except as expressly provided by the terms of this Agreement, upon the satisfaction of the Effective Conditions (as defined below), Audacy, for and on behalf of itself and its current and former equityholders, subsidiaries, and affiliates and its and their respective directors, officers, managers, partners, employees, predecessors, successors, assigns, attorneys, consultants, representatives, licensees, accountants and auditors, insurers and agents ("Releasing Audacy Parties") releases and forever discharges each of BMI, Parent, NMC, and their respective current and former equityholders, subsidiaries, and affiliates, and each of their respective directors, officers, managers, partners, employees, predecessors, successors, assigns, attorneys, consultants, representatives, licensees, accountants and auditors, insurers and agents (the "Released BMI Parties") from any and all claims, causes of action, proceedings, obligations, suits, debts, demands, agreements, promises, controversies, liabilities, and damages of any kind whatsoever, whether direct or derivative in nature, individual or on behalf of a class, whether based on federal, state, local, statutory or common law, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, known or unknown which

the Releasing Audacy Parties ever had, now have, claim to have, or may in the future have or claim to have, that arise from or relate to shares of BMI Common Stock, the Merger, the Audit Dispute, or any other matters arising from the parties' dispute over the audit, licensing fees, or any other unpaid or accrued fees or interest from the period between 2017 – 2020 but excluding the 2018 Unpaid Balance Dispute (collectively, the “Released Audacy Claims”); provided, however, that notwithstanding anything in the foregoing to the contrary, nothing in this Agreement shall release, discharge or relinquish the rights or obligations of any Releasing Audacy Party in respect of the Settled Shares with respect to which such Releasing Audacy Party is or becomes entitled to receive the Per Share Merger Consideration as contemplated by this Agreement and pursuant to the Merger Agreement and the agreements contemplated thereby (including the letter of transmittal); and provided, further, nothing in this Agreement shall release, discharge or relinquish the rights or obligations of any Releasing Audacy Party or the obligations of any Released BMI Party that arise from or relate to (i) this Agreement, (ii) the Approval Order, or (iii) any Claimant or any person or entity asserting a competing claim relating to the Settled Shares; and provided, further, that solely with respect to the Released Audacy Claims arising from or relating to Audacy's ownership of the Eight Cert. Shares and the Cert. 2192 Shares, the Releasing Audacy Parties' release pursuant to this Paragraph 5.A will become effective when both of the following conditions are satisfied: (i) BMI's delivery of New Certificates in respect of the Eight Cert. Shares and the Cert. 2192 Shares to the applicable Audacy Entities as contemplated by Paragraph 1 of this Agreement, and (ii) the closing of the Merger.

B. Except as expressly provided by the terms of this Agreement, upon the satisfaction of the Effective Conditions (as defined below), BMI, Parent, and NMC, for and on behalf of themselves and their current and former equityholders, subsidiaries, and affiliates and its and their respective directors, officers, managers, partners, employees, predecessors, successors, assigns, attorneys, consultants, representatives, licensees, accountants and auditors, insurers and agents of each of them (“Releasing BMI/Parent/NMC Parties”) release and forever discharge Audacy, together with its current and former equityholders, subsidiaries and affiliates and their respective directors, officers, managers, partners, employees, predecessors, successors, assigns, attorneys, consultants, representatives, licensees, accountants and auditors, insurers and agents of each of them (the “Released Audacy Parties”) from any and all claims, causes of action, proceedings, obligations, suits, debts, demands, agreements, promises, controversies, liabilities, and damages of any kind whatsoever, whether direct or derivative in nature, individual or on behalf of a class, whether based on federal, state local, statutory or common law, whether fixed or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured, known or unknown which the Parties ever had, now have, claim to have, or may in the future claim to have, that arise from or relate to shares of BMI Common Stock, the Merger, the Audit Dispute or any other matters arising from the parties' dispute over the audit, licensing fees, or any other unpaid or accrued fees or interest from the period between 2017 – 2020 but excluding the 2018 Unpaid Balance Dispute (collectively, the “Released BMI Claims”); provided, however, that nothing in this Agreement shall release, discharge or relinquish the rights of any Releasing BMI/Parent/NMC Party or the obligations of any Released Audacy Party that arise from or relate to (i) this Agreement (including the indemnification obligations of the Released Audacy Parties hereunder), (ii)

any Lost Security Affidavit/Indemnity (including the indemnification obligations of the Released Audacy Parties thereunder), (iii) any letter of transmittal or other documentation delivered by Audacy or any Audacy Entity in order to receive payment of the Per Share Merger Consideration, (iv) the Approval Order, or (v) any competing claim asserted by any Claimant or any person or entity with respect to the Settled Shares; and provided, further, that solely with respect to the Released BMI Claims arising from or relating to Audacy's ownership of the Eight Cert. Shares and the Cert. 2192 Shares, the Releasing BMI/Parent/NMC Parties' release pursuant to this Paragraph 5.B will become effective when the Releasing Audacy Parties' release with respect to the Released Audacy Claims arising from or relating to Audacy's ownership of the Eight Cert. Shares and the Cert. 2192 Shares becomes effective in accordance with the final proviso of Paragraph 5.A above.

C. Unknown Claims. The Parties acknowledge that they are aware that there could be facts in addition to or different from those which they know or believe to be true, but that it is their intention to fully cover unknown claims in this release, and they each knowingly, voluntarily, intentionally and expressly waive any and all rights and benefits conferred by California Civil Code Section 1542 or any law of any state or territory of the United States or foreign county or principle of common law that is similar to Section 1542, which provides:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

D. Nothing in this Agreement or in any order entered by the Bankruptcy Court approving this Agreement (the “Approval Order”) shall (a) bar an action by any of the Parties to enforce or effectuate the terms of this Agreement or the Approval Order; or (b) preclude any of the Releasing BMI/Parent/NMC Parties from asserting any claims against the Released Audacy Parties (for the avoidance of doubt, including the Debtors), or the Releasing Audacy Parties from asserting any claims against the Released BMI Parties, in respect of any claims that first arise after the effectiveness of this Agreement; provided, that any such claims under this clause (b) may not be asserted as defenses or offsets, including setoff or recoupment, against any amounts owed or claims asserted by the Released Audacy Parties (for the avoidance of doubt, including the Debtors) or the Released BMI Parties under this Agreement or any Lost Security Affidavit/Indemnity.

6. Approval Motion. As soon as is reasonably practicable, and in any event no later than January 31, 2024, Audacy shall file a motion, in form and substance that has been approved by each of the Parties to this Agreement, in the Bankruptcy Court seeking entry of an order authorizing and approving this Agreement, including the settlements set forth herein (the “Approval Motion”). In the Approval Motion, Audacy shall (a) submit a proposed order in form and substance that has been approved by each of the Parties to this Agreement (the “Proposed Approval Order”); and (b) request expedited consideration of the Approval Motion by the Bankruptcy Court. Audacy shall not modify or amend the Proposed Approval Order (or consent

or not object to the modification or amendment of the Proposed Approval Order) without the prior consent of BMI.

7. Lender Consent. Audacy shall obtain all consents for this Agreement required under the RSA (the “Lender Consent”) as soon as reasonably practicable, but in all cases on or prior to February 5, 2024; provided, however, that on or before February 5, 2024, BMI may, in its sole discretion, provide written notice to Audacy specifying a date after February 5, 2024 by which the Lender Consent must be obtained, in which case the reference to “February 5, 2024” in this Paragraph 7 shall be deemed to have been replaced with such later date as specified in such written notice from BMI. Audacy shall bear sole responsibility for obtaining the Lender Consent.

8. Conditions of Settlement & Termination.

A. Effectiveness. Effectiveness of this Agreement is conditioned upon, and will immediately occur without further action of the Parties upon, the occurrence of or waiver in writing by both Parties (except in the case of Paragraph 8.A.iv) of all of the following events:

i. the filing of the Approval Motion by Audacy, in accordance with Paragraph 6 of this Agreement;

ii. the receipt by Audacy of the Lender Consent, in accordance with Paragraph 7 of this Agreement;

iii. entry of an Approval Order, in form and substance substantially consistent with the Proposed Approval Order, by the Bankruptcy Court on or before February 14, 2024; provided, however, that on or before February 14, 2024, BMI may, in its sole discretion, provide written notice to Audacy specifying a date after February 14, 2024 by which this Paragraph 8.A.iii must be satisfied, in which case this Paragraph 8.A.iii shall be deemed to replace February 14, 2024 with such later date as specified in such written notice from BMI; and

iv. the Approval Order becomes a Final Order (subparts i - iv of this Paragraph 8.A are referred to collectively herein as the “Effective Conditions”); provided, only BMI may waive the Effective Condition set forth in this Paragraph 8.A.iv. “Final Order” means the Approval Order has not been reversed, stayed, modified, or amended, and as to which the time to appeal or seek certiorari has expired and no appeal or petition for certiorari has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be filed has been resolved by the highest court to which the order or judgment could be appealed or from which certiorari could be sought or the new trial, reargument, or rehearing shall have been denied, resulted in no modification of such order, or has otherwise been dismissed with prejudice.

B. Termination.

i. In the event that the Effective Conditions set forth in Paragraphs 8.A.i and 8.A.ii are satisfied, but entry of an Approval Order, in form and substance

consistent with the Proposed Approval Order, by the Bankruptcy Court has not occurred on or before February 14, 2024 (unless, on or prior to February 14, 2024, BMI has given written notice to Audacy specifying a later date for purposes of Paragraph 8.A.iii as contemplated thereby, in which case Paragraph 8.B shall be deemed amended to replace February 14, 2024 with such later date as specified in such written notice from BMI), then this Agreement shall automatically terminate without any further action by BMI, Parent or Audacy. BMI has the additional right to unilaterally terminate this Agreement, by providing two (2) business days' written notice of its election to do so to Audacy, in the event that Audacy (a) has failed to timely file the Approval Motion, in accordance with Paragraph 6 of this Agreement; or (b) has failed to timely obtain the Lender Consent, in accordance with Paragraph 7 of this Agreement. Audacy acknowledges that the giving of the notice of termination by BMI pursuant to this Agreement shall not be a violation of the automatic stay under section 362 of the Bankruptcy Code, and Audacy hereby waives, to the fullest extent permitted by law, the applicability of the automatic stay as it relates to any such notice being provided.

ii. In the event this Agreement is terminated pursuant to Paragraph 8.B.i above, then (a) the Parties shall each revert to their respective positions in the Action as of immediately prior to the execution of this Agreement; and (b) the terms and provisions of this Agreement, with the exception of this Paragraph 8 and Paragraphs 11 and 16 hereof, shall have no further force and effect.

9. Closing of the Merger. The closing of the Merger will occur no earlier than two (2) business days after the Effective Conditions have been satisfied or waived in accordance with Paragraph 8.A (other than the Effective Condition set forth in Paragraph 8.A.iv, which may be satisfied or waived on the date of the closing in accordance with the terms hereof without regard to the foregoing two (2) business day period after the satisfaction or waiver of each other Effective Condition); provided, however, that closing of the Merger may occur without regard to this Agreement in the event that of any of the following occurs: (a) this Agreement is terminated pursuant to Paragraph 8.B.i above; or (b) this Agreement is terminated by written agreement of the Parties prior to satisfaction of all of the Effective Conditions.

10. Cooperation. The Parties agree to cooperate with each other to take such steps as may be reasonably necessary to: (i) obtain court approval of the Proposed Approval Order, and (ii) effectuate the terms and conditions of this Agreement.

11. Confidentiality. Whether or not the Effective Conditions are satisfied and whether or not this Agreement is consummated, the Parties and their counsel shall use their best efforts to keep all negotiations, discussions, acts performed, agreements, drafts, and documents exchanged in connection with this Agreement confidential and will not disclose such documents or information to any third parties (other than such Party's lenders, insurers and external advisors) unless (a) a Party reasonably believes that such disclosure is required by applicable law or in connection with the preparation and filing of financial statements, (b) a Party is compelled to disclose such information by judicial or administrative process, including as required by the Bankruptcy Court; (c) such information is disclosed pursuant to a request, inquiry or investigation by a governmental authority including without limitation, any regulator with due authority over

the Party from whom such information has been requested or the subject matter which such authority is investigating, or (d) such information is disclosed in any action or proceeding brought by a Party in pursuit of its rights or in the exercise of its remedies under this Agreement; provided, however, in the case of disclosure pursuant to clause (a), (b) or (c) above, the disclosing Party shall disclose only such information that it believes it is required to disclose and, to the extent practicable, shall give the other Parties reasonable advance written notice of such intended disclosure so that such Party may seek a protective order; and provided, further, that the Parties agree that BMI is permitted to discuss and share information regarding the topics listed in this paragraph with NMC, including but not limited to NMC's counsel, co-investors, financing sources, insurers and other external advisors. This provision shall survive termination of this Agreement pursuant to Paragraph 8.B.i above by written agreement of the Parties.

12. Representations and Warranties of Each Party. Each Party hereto represents and warrants to the other Party that:

A. it is a legal entity duly formed, validly existing and in good standing in its jurisdiction of organization;

B. it has received independent legal advice with respect to the advisability of executing this Agreement;

C. subject to the Lender Consents and entry of the Approval Order, it has the full right and authority to enter into this Agreement, and that the person executing this Agreement on its behalf has the full right and authority to fully commit and bind such Party;

D. in executing this Agreement, it has relied solely on the statements expressly set forth in this Agreement and placed no reliance on any statement, representation or promise of any other Party, or any other person or entity, not expressly set forth in this Agreement, or upon the failure of any other Party or any other person or entity to make any statement, representation or disclosure of anything whatsoever;

E. the execution and delivery of, giving effect to, and performance of, such Party's obligations under this Agreement do not conflict with, result in a breach or violation or imposition of any lien, charge or encumbrance upon any property or assets of such Party pursuant to, the charter or by-laws or other organizational document of such Party or the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which such Party is a party or bound or to which such Party's property is subject; and

F. the execution and delivery of, giving effect to, and performance of, such Party's obligations under this Agreement do not contravene, or conflict with, any applicable laws, regulations or orders to which it is subject or require any notice to or approval of any governmental authority other than the Bankruptcy Court.

13. No Assignment of Claims.

A. Audacy represents and warrants that (x) none of the Released Audacy Claims have been assigned or transferred in whole or in part by the Releasing Audacy Parties; and (y) none of the Releasing Audacy Parties will attempt to assign, transfer, or further encumber, in whole or in part, the Released Audacy Claims.

B. BMI represents and warrants that (x) none of the Released BMI Claims have been assigned, encumbered, or transferred in whole or in part by the Releasing BMI/Parent/NMC Parties; and (y) none of the Releasing BMI/Parent/NMC Parties will attempt to assign, encumber, or transfer, in whole or in part, the Released BMI Claims.

14. Arm's-Length Negotiations. The Parties agree that the terms of this Agreement were negotiated at arm's length and in good faith by the Parties, and the Parties are voluntarily entering into this Agreement after extensive negotiation and consultation with experienced legal counsel.

15. Entire Agreement. This Agreement is the final written expression and the complete and exclusive statement of all of the agreements, conditions, promises, representations, and covenants between the Parties with respect to its subject matter, and supersedes all prior or contemporaneous agreements, negotiations, representations, understandings and discussions between and among the Parties, their respective representatives and any other person or entity, with respect to the subject matter covered by it.

16. No Admissions; Not Evidence. Each Party acknowledges and agrees that this Agreement is a compromise of disputed claims and this Agreement, as well as any drafts hereof, the related Approval Motion and any drafts thereof (collectively, the "Settlement Documents"), shall not be taken or construed to be an admission or concession by any Party of any kind with respect to any fact, liability or fault. The Settlement Documents shall not be offered or received against any of the Parties as evidence of, or deemed to be evidence of, any presumption, concession or admission by any of them with respect to the validity of any claim that has been or could have been asserted against them, except that this Agreement may be offered or received in an action to enforce the terms of this Agreement and, for the avoidance of doubt, any Lost Security Affidavit/Indemnity may be offered or received in an action to enforce the terms of such Lost Security Affidavit/Indemnity. Notwithstanding the foregoing, any Party may file this Agreement or any judgment or order of the Court related hereto in any other action that may be brought against it, in order to support any and all defenses or counterclaims based on *res judicata*, collateral estoppel, good-faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim. This provision shall survive termination of this Agreement pursuant to Paragraph 8.B.i above by written agreement of the Parties.

17. Governing Law; Jurisdiction. Except to the extent the Bankruptcy Code may control, this Agreement, and any and all disputes arising out of or relating in any way to this Agreement, whether in contract, tort, or otherwise, shall be governed, interpreted and enforced in accordance with the laws of the State of Delaware, without regard to any conflict of law principles. The Parties hereby (a) consent to the exercise of personal jurisdiction in the Bankruptcy Court or the Court of Chancery of the State of Delaware for any action or proceeding arising from or relating to this Agreement (if the Court of Chancery does not have jurisdiction over the action or proceeding, the Parties consent to jurisdiction in any state court located within the State of

Delaware or, if no state court located within the State of Delaware has jurisdiction, the United States District Court for the District of Delaware); and (b) waive any objection to venue in the Bankruptcy Court and the state and federal courts located within the State of Delaware and any claim that the Bankruptcy Court or the state and federal courts located within the State of Delaware are inconvenient forums.

18. Waiver of Jury Trial. Each of the Parties hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement.

19. Notices. All notices and other communications required to be provided herein shall be in writing and shall be sent by e-mail and/or overnight FedEx to the respective representatives and addresses of the Parties indicated herein:

To: Audacy, Inc.

Audacy, Inc.
2400 Market Street, 4th Floor
Philadelphia, PA 19103
Attention: Andrew P. Sutor
Email: andrew.sutor@audacy.com

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

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Attention: Blair Connelly & Roderick Branch
Email: blair.connelly@lw.com;
roderick.branch@lw.com

To: Broadcast Music, Inc.

Broadcast Music, Inc.
7 World Trade Center
250 Greenwich Street, 30th Floor
New York, NY 10007-0030
Attention: Stuart Rosen, Esq.
Email: srosen@bmi.com

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

If prior to the Merger:

Fried, Frank, Harris, Shriver & Jacobson LLP
One New York Plaza
New York, NY 10004

Attention: Steven Epstein & Scott Luftglass
Email: steven.epstein@friedfrank.com;
scott.luftglass@friedfrank.com

If following the Merger:

Simpson Thacher & Bartlett LLP
425 Lexington Ave.
New York, NY 0017
Attention: Elizabeth Cooper & Craig Waldman
Email: ECooper@stblaw.com;
cwaldman@stblaw.com

To: Otis Parent, Inc.

c/o New Mountain Capital, L.L.C.
1633 Broadway, 48th Floor
New York, New York 10019
Attention: Pete Masucci & Mike Oshinsky
Email: pmasucci@newmountaincapital.com;
moshinsky@newmountaincapital.com

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

Simpson Thacher & Bartlett LLP
425 Lexington Ave.
New York, NY 0017
Attention: Elizabeth Cooper & Craig Waldman
Email: ECooper@stblaw.com;
CWaldman@stblaw.com

20. Fees & Costs. Each Party shall bear its own fees and costs in connection with this Agreement and any efforts to seek Bankruptcy Court approval of this Agreement.

21. Miscellaneous.

A. Counterparts. This Agreement may be executed by facsimile, or by PDF, and in multiple counterparts, and when each Party has signed and delivered such counterparts to the other Parties, each counterpart shall be deemed an original and taken together shall constitute one and the same Agreement that shall be binding and effective as to all Parties.

B. Severability. In the event that any provision of this Agreement, other than the release or indemnity provisions, should be held to be void, voidable or unenforceable, the remaining portions hereof shall remain in full force and effect.

C. No Presumption From Drafting. Given that the Parties have had the opportunity to draft, review and edit the language of this Agreement, no presumption for or against any Party arising out of drafting all or any part of this Agreement will be applied in any action relating to, connected to, or involving this Agreement.

D. No Waiver. Any failure by any Party to insist upon the strict performance by any other Party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions hereof, and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions in this Agreement by such other Party. No waiver, express or implied, by any Party of any breach or default in the performance by any other Party of its obligations under this Agreement shall be deemed or construed to be a waiver of any other breach, whether prior, subsequent, or contemporaneous, under this Agreement.

E. Modifications. The terms of this Agreement may not be modified or amended, nor may any of its provisions be waived, except by a writing specifically referencing this Agreement that is signed by or on behalf of all Parties (or their successors-in-interest).

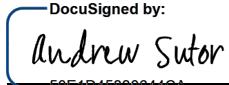
F. Headings. The headings in each Paragraph herein are for convenience of reference only and shall be of no legal effect in the interpretation of the terms hereof.

22. Binding Effect; Third-Party Beneficiaries. This Agreement shall be binding upon the parties hereto and their respective successors, including the reorganized Debtors from and after the effective date of any chapter 11 plan, assigns, predecessors, former, present and future subsidiaries, affiliates, divisions, parent companies, directors, officers, administrators, employees, agents and representatives. No persons or entities shall be considered third-party beneficiaries of this Agreement except for NMC, the Released Audacy Parties and the Released BMI Parties, each of whom are not signatories hereto, but who shall be third-party beneficiaries under this Agreement and entitled to enforce it in accordance with its terms; however, the consent of NMC, the Released Audacy Parties and the Released BMI Parties shall not be required to amend, modify, or terminate this Agreement.

[Remainder of page left intentionally blank; signature page follows.]

IN WITNESS WHEREOF, Audacy, BMI and Parent have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

AUDACY, INC.

By: 
Name: Andrew Sutor
Title: EVP

BROADCAST MUSIC, INC.

By: _____
Name:
Title:

OTIS PARENT, INC.

By: _____
Name:
Title:

IN WITNESS WHEREOF, Audacy, BMI and Parent have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

AUDACY, INC.

By: _____
Name:
Title:

BROADCAST MUSIC, INC.

By: 
Name: Stuart Rosen
Title: SVP & Chief Legal Officer

OTIS PARENT, INC.

By: _____
Name:
Title:

IN WITNESS WHEREOF, Audacy, BMI and Parent have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

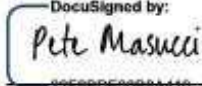
AUDACY, INC.

By: _____
Name:
Title:

BROADCAST MUSIC, INC.

By: _____
Name:
Title:

OTIS PARENT, INC.

By:  _____
Name: Pete Masucci
Title: President