

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA,

Plaintiff,

v.

ENTERCOM COMMUNICATIONS CORP.
and LINCOLN FINANCIAL MEDIA
COMPANY

Defendants.

Civil Action No.: 15-01119(RC)

Judge Rudolph Contreras

**JOINT MEMORANDUM IN SUPPORT OF MOTION TO MODIFY FINAL
JUDGMENT AND ENTER AMENDED FINAL JUDGMENT**

Pursuant to Section XII of the Final Judgment entered in this matter on October 5, 2015 (“Final Judgment”) (Dkt. 15), Plaintiff, United States of America (“United States”), and Defendant, Entercom Communications Corp. (“Entercom”), jointly move this Court to modify the Final Judgment and enter an Amended Final Judgment. A proposed Amended Final Judgment is attached hereto as Exhibit 1. For the Court’s convenience, a redline comparison of the October 5, 2015 Final Judgment and the proposed Amended Final Judgment is attached hereto as Exhibit 2.

I. BACKGROUND

On July 14, 2015 the United States filed a civil antitrust Complaint, alleging that Entercom’s proposed acquisition of Lincoln Financial Media Company (“Lincoln”) likely would substantially lessen competition with respect to the sale of radio advertising to advertisers targeting English-language listeners in Denver, Colorado in violation of Section 7 of the Clayton

Act, 15 U.S.C. § 18.¹ At the same time the Complaint was filed, the United States also filed a proposed Final Judgment. Entercom was allowed to consummate its acquisition of Lincoln, but the proposed Final Judgment required it to divest certain radio stations in Denver to remedy the anticompetitive effects of the transaction.² Specifically, the proposed Final Judgment required Entercom to divest certain radio stations to Bonneville International Corporation (“Bonneville”).³ The United States approved Bonneville as the divestiture buyer. As stated above, this Court entered the Final Judgment on October 5, 2015.

II. SECTION XI OF THE FINAL JUDGMENT AND THE PROPOSED MODIFICATION

Section XI of the Final Judgment states that “defendants may not ... (3) enter into any time brokerage agreement, local marketing agreement, joint sales agreement, other cooperative selling arrangement, or shared services agreement, or conduct other business negotiations jointly with [Bonneville] with respect to the Divestiture Assets” (together, “Collaboration Agreements”).

Section XI is a broad provision that prevents Entercom from entering into all Collaboration Agreements with respect to the radio stations divested to Bonneville, including both local advertising Collaboration Agreements and national advertising Collaboration Agreements.

In the radio industry, local advertisers typically focus on one local market, whereas national advertisers seek to place national or multi-city ads for specific advertising campaigns (*e.g.*, a twenty-city buy). As a result, national advertisers require radio time on different stations and station groups in different geographic markets for each campaign. Because there are few broadcast radio companies that own and operate radio stations that have the geographic scope to support a

¹ Lincoln now is a fully-owned subsidiary of Entercom.

² *See* Final Judgment § IV.

³ *Id.*

national advertising campaign, most radio companies, standing alone, typically do not compete for national advertising business.

At the time the Final Judgment was entered in 2015, Entercom itself could not compete effectively for national advertising contracts because it lacked the geographic scope and sales infrastructure to support a national advertising campaign. In 2019, however, Entercom acquired CBS Radio, Inc., and it subsequently began to develop a national sales platform. As part of that plan, it seeks to collaborate with other radio companies to be able to provide a package of radio stations around the country to support national advertising campaigns. Such collaborations can be procompetitive and legal. Radio audiences and companies seeking to place national radio advertisements could benefit from the arrangement.

Consequently, as set forth in the proposed Amended Final Judgment, the United States and Entercom have agreed to modify the first paragraph of Section XI of the Final Judgment as follows:

After the Divestiture Assets have been divested to an Acquirer or Acquirers acceptable to the United States in its sole discretion, and during the term of the Amended Final Judgment: defendants may not (1) reacquire any part of the Divestiture Assets, (2) acquire any option to reacquire any part of the Divestiture Assets or to assign the Divestiture Assets to any other person, or (3) provide financing or guarantees of financing with respect to the Divestiture Assets. A defendant further may not, without the prior written consent of the United States, (1) enter into any time brokerage agreement, local marketing agreement, joint sales agreement, other cooperative selling arrangement, or any shared services agreement with respect to the Divestiture Assets, or (2) conduct other business negotiations jointly with the Acquirer(s) with respect to the Divestiture Assets. A defendant must apply for prior written consent of the United States for approval for such agreement(s) or changes to any such agreement(s). Approval by the United States is within the United States' sole discretion. In the event that the United States approves such an agreement, and before that agreement can take effect, the defendant must put in place information firewalls to prevent the disclosure, sharing, or use of confidential information between Acquirers and that defendant with respect to the operations of the Divestiture Assets. Such firewalls or changes to any such firewalls must first be approved by the United States in its sole discretion.

The proposed modification would allow Entercom to enter into procompetitive Collaboration Agreements if the United States has been provided an opportunity to review the

terms and assess their likely competitive impact, and provide written approval of the proposed agreement. The additional provision to require information firewalls, also subject to the prior review and written consent of the United States, will prevent any potentially anticompetitive sharing of confidential information between Entercom and Bonneville.

III. LEGAL STANDARD & JURISDICTION

On October 5, 2015, the Court held that entry of the Final Judgment was in the public interest and entered its Order.⁴ This Court has jurisdiction to modify the Final Judgment pursuant to Section XII of the Final Judgment,⁵ Federal Rule of Civil Procedure 60(b)(5), and the Court’s inherent authority to enforce its lawful orders, including “the power to construe and interpret the language of the judgment”⁶ and to modify a decree of injunctive relief.⁷

Where, as here, the United States has consented to a proposed modification of a judgment, the issue before the Court is whether the modification is in the public interest. *United States v. W. Elec. Co., Inc.*, 900 F. 2d 283, 305 (D.C. Cir. 1990). The “district court may reject an uncontested modification only if it has exceptional confidence that adverse antitrust consequences will result.” *United States v. W. Elec. Co., Inc.*, 993 F.2d 1572, 1577 (D.C. Cir. 1993).

⁴ Final Judgment § XIV (“Entry of this Final Judgment is in the public interest.”).

⁵ Final Judgment § XII (“This Court retains jurisdiction to enable any party to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify any of its provisions, and to punish violations of its provisions.”).

⁶ *Heartland Hosp. v. Thompson*, 328 F. Supp. 2d 8, 12 (D.D.C. 2004).

⁷ *New York v. Microsoft*, 531 F. Supp. 2d 141, 167 (D.D.C. 2008) (finding that in addition to authority under a final judgment, “[t]he Court may also modify the Final Judgments under its power in ‘equity to modify a decree of injunctive relief,’ which the D.C. Circuit has described as ‘long-established, broad, and flexible.’” (quoting *United States v. W. Elec. Co.*, 46 F.3d 1198, 1202 (D.C. Cir. 1995))).

IV. THE AMENDED FINAL JUDGMENT IS IN THE PUBLIC INTEREST

The Amended Final Judgment is in the public interest because it serves the purpose of the Final Judgment by enhancing the possibility of increased competition for national advertisements on radio stations in Denver, Colorado.⁸ The United States works to ensure that consent decrees remain flexible and relevant to changing economic conditions.⁹

It is a generally accepted principle of antitrust law that certain collaborations among competitors may be procompetitive. *See NCAA v. Bd. of Regents of the Univ. of Okla.*, 468 U.S. 85, 103 (1984) (noting that prior Supreme Court precedent “squarely holds that a joint selling arrangement may be so efficient that it will increase sellers’ aggregate output and thus be procompetitive”); *United States v. Visa U.S.A. Inc.*, 163 F. Supp. 2d 322, 399 (S.D.N.Y. 2001) (“[A]ntitrust laws permit horizontal entities to combine their skills to create a product that could not be created separately, and such ventures may employ reasonable restraints to make the joint venture more efficient.”). The United States Department of Justice’s and Federal Trade Commission’s ANTITRUST GUIDELINES FOR COLLABORATIONS AMONG COMPETITORS explains that agreements “jointly to produce a product sold to others” are “often procompetitive” because “[p]articipants may combine complementary technologies, know-how, or other assets to enable

⁸ The divestitures and other prohibitions on Defendant’s conduct in the Final Judgment were designed to “preserve [the] competitive dynamic” for advertisers on radio stations in Denver. *See Entercom Required to Divest Three Denver Radio Stations as Part of Lincoln Acquisition*, U.S. DEP’T OF JUSTICE (Jul. 14, 2015), <https://www.justice.gov/opa/pr/entercom-required-divest-three-denver-radio-stations-part-lincoln-acquisition>.

⁹ *See generally* Makan Delrahim, Assistant Attorney Gen., Keynote Address at American Bar Association’s Antitrust Fall Forum (Nov. 16, 2017), <https://www.justice.gov/opa/speech/assistant-attorney-general-makan-delrahim-delivers-keynote-address-american-bar>; Makan Delrahim, Assistant Attorney Gen., Remarks at the Antitrust Division’s Second Roundtable on Competition and Deregulation (Apr. 26, 2018), <https://www.justice.gov/opa/speech/assistant-attorney-general-makan-delrahim-delivers-remarks-antitrust-divisions-second>.

the collaboration to produce a good more efficiently or to produce a good no one participant could alone produce.”¹⁰ The United States has reviewed and approved proposals of such collaborations in the past,¹¹ and routinely retains discretion in final judgments to approve divestiture buyers and terms to enable commercial success of divestiture buyers.¹²

¹⁰ FED. TRADE COMM’N & U.S. DEP’T OF JUSTICE, ANTITRUST GUIDELINES FOR COLLABORATIONS AMONG COMPETITORS 13, at 3.31(a) (Apr. 2000).

¹¹ See e.g. Letter from Molly S. Boast, Acting Assistant Attorney General for the Antitrust Division, to James R. Weiss, Esq., K&L Gates LLP, U.S. DEP’T OF JUSTICE (Sept. 8, 2009), <https://www.justice.gov/atr/response-reliance-networks-request-business-review-letter> (approving cooperation agreement with expected efficiencies generated by coordinated information technology efforts, operations, and sales and marketing); *Justice Department Will Not Oppose Proposal To Form Textile Rental And Laundry Services Joint Venture*, U.S. DEP’T OF JUSTICE (Aug. 8, 2006), https://www.justice.gov/archive/atr/public/press_releases/2006/217689.htm (approving joint marketing venture because it would create a “new competitor for national accounts”); *Justice Department Clears Way For Sales Agency Agreement On Endoscopy Accessory Products*, U.S. DEP’T OF JUSTICE (Aug. 29, 2001), https://www.justice.gov/archive/atr/public/press_releases/2001/8970.htm (approving a joint marketing and sales agreement where “the proposed collaboration could produce procompetitive benefits that [the parties] could not produce separately”).

¹² See e.g. *United States v. Ticketmaster Entm’t, Inc.*, No. 1:10-cv-00139-RMC, 2020 WL 1061445, at *5-*6, *11 (D.D.C. Jan. 28, 2020) (providing the United States sole discretion to approve divestiture buyers and divestiture agreement terms, require audits, and ensure divestiture buyers are enabled to successfully compete); *United States v. Bayer AG*, No. 18-1241, 2019 WL 1431903, at *11-*13 (D.D.C. Feb. 8, 2019) (providing the United States sole discretion to approve extensions of supply and tolling agreements between defendants and divestiture buyer); *United States vs. Nexstar Broad. Grp., Inc.*, No. 1:16-cv-01772-JDB, 2016 WL 8458470, at *3-*4 (D.D.C. Nov. 16, 2016) (providing the United States sole discretion to approve divestiture buyers, the terms of any transition services agreement, and to require that divestiture buyers “have the intent and capability (including the necessary managerial, operational, technical, and financial capability) of competing effectively”); FED. TRADE COMM’N, No. 191-0068, ANALYSIS OF AGREEMENT CONTAINING CONSENT ORDERS TO AID PUBLIC COMMENT, IN THE MATTER OF DTE ENERGY COMPANY, ENBRIDGE INC., AND NEXUS GAS TRANSMISSION, LLC, 3 (Sept. 13, 2019), https://www.ftc.gov/system/files/documents/cases/07_dte-enbridge_aapc_redacted.pdf (acknowledging that “joint ventures and other competitor collaborations frequently occur” in the relevant product market and providing a prior approval provision which “gives Respondents the opportunity to advocate for these arrangements and the [FTC] Commission to evaluate any attendant restrictions on a case-by-case basis”).

Allowing the United States to approve certain procompetitive Collaboration Agreements is consistent with the scope and intent of the Final Judgment.

V. ADDITIONAL PUBLIC NOTICE OF THE AMENDED FINAL JUDGEMENT IS UNNECESSARY

In this case, prior to the entry of the Final Judgment, the United States complied with the procedures of the Antitrust Procedures and Penalties Act (“APPA” or “Tunney Act”), 15 U.S.C. § 16.¹³ The Tunney Act requires, among other things, that “[a]ny proposal for a consent judgment submitted by the United States” be filed with the Court and published in the *Federal Register*, as well as in newspapers of general circulation, at least 60 days prior to the effective date of such judgment.¹⁴ The Tunney Act further requires that any written comments relating to the proposed consent judgment, and any responses by the United States to those comments, be filed with the Court and published in the *Federal Register* prior to entry of the proposed consent judgment.¹⁵ In this matter, there were no public comments. The Tunney Act procedures are designed to facilitate a public interest determination “[b]efore entering any consent judgment proposed by the United States.”¹⁶ The language of the Tunney Act, however, does not require that modifications to a consent judgment be subject to these same procedures.¹⁷ Accordingly, consistent with the recent

¹³ Certificate of Compliance with Provisions of the Antitrust Procedures and Penalties Act (Sept. 28, 2015) (Dkt. 14).

¹⁴ 15 U.S.C. § 16(b)-(c).

¹⁵ *Id.* § 16(d).

¹⁶ *Id.* § 16(e)(1).

¹⁷ The procedures mandated by the Tunney Act govern federal district courts’ consideration of “[a]ny proposal for a consent judgment submitted by the United States,” 15 U.S.C. § 16(b), and are designed to facilitate a public interest determination “[b]efore entering any consent judgment proposed by the United States,” 15 U.S.C. § 16(e)(1).

practice of this Court,¹⁸ the United States does not propose to publish the proposed Amended Final Judgment for notice and public comment.

The proposed Amended Final Judgment does not materially change the essence and purpose of the Final Judgment. As stated above, the proposed modification to the Final Judgment enhances the possibility of increased competition for national radio advertising. It does not release Entercom from any of its obligations under the Final Judgment, and the United States retains the ability to enforce the Final Judgment. Finally, the Court previously found the underlying Final Judgment to be in the public interest. For these reasons, the proposed modifications are not the type of modifications that would trigger the need for a second public comment period for this Court to determine that the proposed modifications are in the public interest.

VI. CONCLUSION

For the foregoing reasons, the United States and Entercom respectfully request that the Court enter the proposed Amended Final Judgment submitted with this motion.

¹⁸ Courts in this district have modified final judgments without requiring a public notice and comment period. *See, e.g., United States v. Ticketmaster Entm't, Inc.*, No. 1:10-cv-00139, 2020 WL 1061445 (D.D.C. Jan. 28, 2020) (extending the term of the Final Judgment and adding language on retaliation conditioning); *United States v. Verizon Commc'ns, Inc.*, No. 1:08-cv-01878, 2011 WL 1882488 (D.D.C. Apr. 8, 2011) (extending the term of transition services agreements); *United States v. Cemex, S.A.B. de C.V.*, No. 1:07-cv-00640, 2007 WL 7315362 (D.D.C. Nov. 28, 2007) (substituting a 40-year lease of real property for a sale of that property); *United States v. Halliburton Co.*, No. 1:98-cv-2340, slip op. (D.D.C. Mar. 13, 2000) (substituting access to one test well for access to a different test well), *available at* <https://www.justice.gov/atr/case-document/file/498246/download>. Two courts outside of this district have further held that the Tunney Act is not applicable to judgment termination proceedings, suggesting that those courts would not view the Tunney Act as applicable to minor judgment modifications. *See, e.g., United States v. Am. Cyanamid Co.*, 719 F.2d 558, 565 n.7 (2d Cir. 1983); *United States v. General Motors Corp.*, 1983-2 Trade Cas. (CCH) ¶ 65,614, at ¶ 69,093 (N.D. Ill. 1983). *But see United States v. Western Elec. Co.*, 900 F. 2d 283, 289 (D.C. Cir. 1990) (in which the parties voluntarily agreed to apply Tunney Act procedures to the modification at issue).

Dated: August 7, 2020

Respectfully submitted,

/s/ Mark A. Merva

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UNITED STATES OF AMERICA,

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Civil Action No. 15-01119(RC)

[PROPOSED] AMENDED FINAL JUDGMENT

WHEREAS, plaintiff, the United States of America, filed its Complaint on July 14, 2015, and plaintiff and Entercom Communications Corp. (“Entercom”) and Lincoln Financial Media Company (“Lincoln”), by their respective attorneys, consented to the entry of the Final Judgment, which was entered by this Court on October 5, 2015 (the “2015 Final Judgment”), without trial or adjudication of any issue of fact or law herein, and without the 2015 Final Judgment constituting any evidence against or an admission by any party with respect to any issue of law or fact herein;

AND WHEREAS, the 2015 Final Judgment required defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint, and those divestitures were completed on November 24, 2015;

AND WHEREAS, the United States and defendants have consented to the entry of the Amended Final Judgment in order to amend Section XI of the 2015 Final Judgment;

AND WHEREAS, defendants agree to be bound by the provisions of the Amended Final Judgment pending its approval by the Court;

NOW THEREFORE, before any testimony is taken, without trial or adjudication of any issue of fact or law, and upon consent of the parties, it is hereby ORDERED, ADJUDGED, and DECREED:

I. JURISDICTION

This Court has jurisdiction over each of the parties hereto and over the subject matter of this action. The Complaint states a claim upon which relief may be granted against defendants under Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

II. DEFINITIONS

As used in the Amended Final Judgment:

- A. “Entercom” means defendant Entercom Communications Corp., a Pennsylvania corporation headquartered in Bala Cynwyd, Pennsylvania, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.
- B. “Lincoln” means defendant Lincoln Financial Media Company, a North Carolina corporation headquartered in Atlanta, Georgia, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.
- C. “Acquirer” means Bonneville International Corporation, or another entity to which the defendants divest any Divestiture Assets.
- D. “2015 Final Judgment” means the Final Judgment entered by this Court on October 5, 2015 in *United States v. Entercom Communications Corp.*, Case No. 15-01119.
- E. “MSA” means Metropolitan Survey Area as defined by A.C. Nielsen Company and used by the *Investing in Radio BIA Market Report 2014* (1st edition). MSAs are ranked

according to the number of households therein and are used by broadcasters, advertisers, and advertising agencies to aid in evaluating radio audience size and composition.

F. “KOSI FM” means the broadcast radio station located in the Denver, Colorado MSA owned by defendant Entercom.

G. “KKFN FM” means the broadcast radio station located in the Denver, Colorado MSA owned by defendant Lincoln.

H. “KYGO FM” means the broadcast radio station located in the Denver, Colorado MSA owned by defendant Lincoln.

I. “Divestiture Assets” means all of the assets, tangible or intangible, principally devoted to and necessary for the operations of KOSI FM, KKFN FM and KYGO FM as viable, ongoing commercial broadcast radio stations, except as otherwise agreed to in writing by the United States Department of Justice, including, but not limited to, all real property (owned or leased) principally devoted to and necessary for the operation of the stations, all broadcast equipment, office equipment, office furniture, fixtures, materials, supplies, and other tangible property principally devoted to and necessary for the operation of the stations; all licenses, permits, authorizations, and applications therefore issued by the Federal Communications Commission (“FCC”) and other government agencies related to the stations; all contracts (including programming contracts and rights), agreements, network agreements, leases, and commitments and understandings of defendants principally devoted to and necessary for the operation of the stations; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials, and promotional materials relating to the stations; all customer lists, contracts, accounts, and credit records; all logs and other records maintained by defendants in connection with the stations; and rights (pursuant to a lease or other agreement acceptable to the

United States in its sole discretion) to transmission facilities necessary for the operations of KOSI FM, KKFN FM and KYGO FM.

III. APPLICABILITY

A. The Amended Final Judgment applies to Entercom and Lincoln as defined above, and all other persons in active concert or participation with any of them who receive actual notice of the Amended Final Judgment by personal service or otherwise.

B. If, prior to complying with Sections IV and V of the Amended Final Judgment, defendants sell or otherwise dispose of all or substantially all of their assets or of lesser business units that include the defendants' Divestiture Assets, they shall require the purchaser to be bound by the provisions of the Amended Final Judgment. Defendants need not obtain such an agreement from the Acquirer(s) of assets divested pursuant to the Amended Final Judgment.

IV. DIVESTITURES

A. Defendants are ordered and directed, within ninety (90) calendar days after the filing of the Hold Separate Stipulation and Order in this matter, to divest the Divestiture Assets to an Acquirer or Acquirers acceptable to the United States, in its sole discretion. The United States, in its sole discretion, may agree to one or more extensions of this time period not to exceed ninety (90) calendar days in total, and shall notify the Court in such circumstances. With respect to divestiture of the Divestiture Assets by defendants or the trustee appointed pursuant to Section V of the Amended Final Judgment, if applications have been filed with the FCC within the period permitted for divestiture seeking approval to assign or transfer licenses to the Acquirer(s) of the Divestiture Assets, but an order or other dispositive action by the FCC on such applications has not been issued before the end of the period permitted for divestiture, the period shall be extended with respect to divestiture of the Divestiture Assets for which no FCC order has issued no later than ten (10) business days after the order of the FCC consenting to the

assignment of the Divestiture Assets to Bonneville has become final. Entercom shall use its best efforts to accomplish the divestitures ordered by the Amended Final Judgment as expeditiously as possible, including using its best efforts to obtain all necessary FCC approvals as expeditiously as possible. The Amended Final Judgment does not limit the FCC's exercise of its regulatory powers and process with respect to the Divestiture Assets. Authorization by the FCC to conduct the divestiture of a Divestiture Asset in a particular manner will not modify any of the requirements of the Amended Final Judgment.

B. In the event that defendants are attempting to divest assets related to KOSI FM, KKFN FM or KYGO FM to an Acquirer other than Bonneville:

- (1) Defendants promptly shall make known, by usual and customary means, the availability of the Divestiture Assets;
- (2) Defendants shall inform any person making inquiry regarding a possible purchase of the Divestiture Assets that they are being divested pursuant to the Amended Final Judgment and provide that person with a copy of the Amended Final Judgment;
- (3) Defendants shall offer to furnish to all bona fide prospective acquirers, subject to customary confidentiality assurances, all information and documents relating to the Divestiture Assets customarily provided in a due diligence process except such information or documents subject to the attorney-client privilege or work-product doctrine; and
- (4) Defendants shall make available such information to the United States at the same time that such information is made available to any other person.

C. Defendants shall provide the Acquirer(s) and the United States information relating to the personnel involved in and necessary to the operation or management of the Divestiture Assets to enable the Acquirer(s) to make offers of employment. Defendants shall not interfere with any negotiations by the Acquirer(s) to employ or contract with any employee of any defendant who is involved in and necessary to the operation or management of the Divestiture Assets.

D. Defendants shall permit the Acquirer(s) of the Divestiture Assets to have reasonable access to personnel and to make inspections of the physical facilities of KOSI FM, KKFN FM and KYGO FM; access to any and all environmental, zoning, and other permit documents and information; and access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process.

E. Entercom shall warrant to the Acquirer(s) that each Divestiture Asset will be operational on the date of sale.

F. Defendants shall not take any action that will impede in any way the permitting, operation, or divestiture of the Divestiture Assets.

G. Entercom shall warrant to the Acquirer(s) that there are no material defects in the environmental, zoning, or other permits pertaining to the operation of each Divestiture Asset, and that, following the sale of the Divestiture Assets, defendants will not undertake, directly or indirectly, any challenges to the environmental, zoning, or other permits relating to the operation of the Divestiture Assets.

H. The foregoing Sections IV.C through IV.G shall not apply in the event that the acquirer of the Divestiture Assets is Bonneville pursuant to the Asset Exchange Agreement dated as of July 10, 2015, by and among Entercom Radio, LLC, Entercom License, LLC, Entercom

Denver, LLC, Entercom California, LLC, and Bonneville International Corporation, and, as of the Closing, Lincoln Financial Media Company.

I. Unless the United States otherwise consents in writing, the divestiture pursuant to Section IV, or by trustee appointed pursuant to Section V of the Amended Final Judgment, shall include the entire Divestiture Assets and be accomplished in such a way as to satisfy the United States, in its sole discretion, that the Divestiture Assets can and will be used by the Acquirer(s) as part of a viable, ongoing commercial radio broadcasting business, and the divestiture of such assets will achieve the purposes of the Amended Final Judgment and remedy the competitive harm alleged in the Complaint. The divestitures, whether pursuant to Section IV or Section V of the Amended Final Judgment:

- (1) shall be made to an Acquirer or Acquirers that, in the United States' sole judgment, has the intent and capability (including the necessary managerial, operational, technical, and financial capability) of competing effectively in the commercial radio broadcasting business; and
- (2) shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between an Acquirer and defendants gives defendants the ability unreasonably to raise any Acquirer's costs, to lower any Acquirer's efficiency, or otherwise to interfere in the ability of any Acquirer to compete effectively.

V. APPOINTMENT OF TRUSTEE

A. If defendants have not divested the Divestiture Assets within the time period specified in Section IV(A), defendants shall notify the United States of that fact in writing. Upon application of the United States, the Court shall appoint a Divestiture Trustee selected by the United States and approved by the Court to effect the divestiture of the Divestiture Assets.

B. After the appointment of a Divestiture Trustee becomes effective, only the trustee shall have the right to sell the Divestiture Assets. The Divestiture Trustee shall have the power and authority to accomplish the divestiture to an Acquirer(s) acceptable to the United States at such price and on such terms as are then obtainable upon reasonable effort by the trustee, subject to the provisions of Sections IV, V, and VI of the Amended Final Judgment, and shall have such other powers as this Court deems appropriate. Subject to Section V(D) of the Amended Final Judgment, the Divestiture Trustee may hire at the cost and expense of defendants any investment bankers, attorneys, or other agents, who shall be solely accountable to the trustee, reasonably necessary in the trustee's judgment to assist in the divestiture. Any such investment bankers, attorneys, or other agents shall serve on such terms and conditions as the United States approves, including confidentiality requirements and conflict of interest certifications.

C. Defendants shall not object to a sale by the trustee on any ground other than the trustee's malfeasance. Any such objections by defendants must be conveyed in writing to the United States and the Divestiture Trustee within ten (10) calendar days after the trustee has provided the notice required under Section VI.

D. The Divestiture Trustee shall serve at the cost and expense of defendants pursuant to a written agreement, on such terms and conditions as the United States approves, including confidentiality requirements and conflict-of-interest certifications. The trustee shall account for all monies derived from its sale of the Divestiture Assets and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services yet unpaid and those of any professionals and agents retained by the trustee, all remaining money shall be paid to defendants and the trust shall then be terminated. The compensation of the Divestiture Trustee and any professionals and agents retained by the trustee shall be reasonable in light of

the value of the Divestiture Assets and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished, but timeliness is paramount. If the Divestiture Trustee and defendants are unable to reach agreement on the trustee's or any agents' or consultants' compensation or other terms and conditions of engagement within 14 calendar days of appointment of the trustee, the United States may, in its sole discretion, take appropriate action, including making a recommendation to the Court. The Divestiture Trustee shall, within three (3) business days of hiring any other professionals or agents, provide written notice of such hiring and the rate of compensation to defendants and the United States.

E. Defendants shall use their best efforts to assist the Divestiture Trustee in accomplishing the required divestiture. The Divestiture Trustee and any consultants, accountants, attorneys, and other agents retained by the trustee shall have full and complete access to the personnel, books, records, and facilities of the business to be divested, and defendants shall develop financial and other information relevant to such business as the trustee may reasonably request, subject to reasonable protection for trade secret or other confidential research, development, or commercial information or any applicable privileges. Defendants shall take no action to interfere with or to impede the Divestiture Trustee's accomplishment of the divestiture.

F. After its appointment, the Divestiture Trustee shall file monthly reports with the United States and, as appropriate, the Court setting forth the trustee's efforts to accomplish the divestiture ordered under the Amended Final Judgment. To the extent such reports contain information that the Divestiture Trustee deems confidential, such reports shall not be filed in the public docket of the Court. Such reports shall include the name, address, and telephone number

of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person. The Divestiture Trustee shall maintain full records of all efforts made to divest the Divestiture Assets.

G. If the Divestiture Trustee has not accomplished the divestiture ordered under the Amended Final Judgment within six months after its appointment, the trustee shall promptly file with the Court a report setting forth (1) the trustee's efforts to accomplish the required divestiture, (2) the reasons, in the trustee's judgment, why the required divestiture has not been accomplished, and (3) the trustee's recommendations. To the extent such report contains information that the Divestiture Trustee deems confidential, such report shall not be filed in the public docket of the Court. The Divestiture Trustee shall at the same time furnish such report to the United States which shall have the right to make additional recommendations consistent with the purpose of the trust. The Court thereafter shall enter such orders as it shall deem appropriate to carry out the purpose of the Amended Final Judgment, which may, if necessary, include extending the trust and the term of the Divestiture Trustee's appointment by a period requested by the United States.

H. If the United States determines that the Divestiture Trustee has ceased to act or failed to act diligently or in a reasonably cost-effective manner, it may recommend the Court appoint a substitute Divestiture Trustee.

VI. NOTICE OF PROPOSED DIVESTITURE

A. Within two (2) business days following execution of a definitive divestiture agreement, defendants or the Divestiture Trustee, whichever is then responsible for effecting the divestiture required herein, shall notify the United States of any proposed divestiture required by

Section IV or V of the Amended Final Judgment. If the Divestiture Trustee is responsible, it shall similarly notify defendants. The notice shall set forth the details of the proposed divestiture and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Divestiture Assets, together with full details of the same.

B. Within fifteen (15) calendar days of receipt by the United States of such notice, the United States may request from defendants, the proposed Acquirer(s), any other third party, or the Divestiture Trustee, if applicable, additional information concerning the proposed divestiture(s), the proposed Acquirer(s), and any other potential Acquirer. Defendants and the Divestiture Trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree.

C. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the United States has been provided the additional information requested from defendants, the proposed Acquirer(s), any third party, and the Divestiture Trustee, whichever is later, the United States shall provide written notice to defendants and the trustee, if there is one, stating whether or not it objects to the proposed divestiture. If the United States provides written notice that it does not object, the divestiture may be consummated, subject only to defendants' limited right to object to the sale under Section V(C) of the Amended Final Judgment. Absent written notice that the United States does not object to the proposed Acquirer(s) or upon objection by the United States, a divestiture proposed under Section IV or Section V shall not be consummated. Upon objection by defendants under Section V(C), a divestiture proposed under Section V shall not be consummated unless approved by the Court.

VII. FINANCING

Defendants shall not finance all or any part of any purchase made pursuant to Section IV or V of the Amended Final Judgment.

VIII. HOLD SEPARATE

Until the divestiture required by the Amended Final Judgment has been accomplished, defendants shall take all steps necessary to comply with the Hold Separate Stipulation and Order entered by this Court. Defendants shall take no action that would jeopardize the divestiture ordered by this Court.

IX. AFFIDAVITS

A. Within twenty (20) calendar days of the filing of the Complaint in this matter, and every thirty (30) calendar days thereafter until the divestiture has been completed under Section IV or V of the Amended Final Judgment, defendants shall deliver to the United States an affidavit as to the fact and manner of their compliance with Section IV or V of the Amended Final Judgment. Each such affidavit shall include the name, address, and telephone number of each person who, during the preceding thirty (30) days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts defendants have taken to solicit buyers for and complete the sale of the Divestiture Assets, including efforts to secure FCC or other regulatory approvals, and to provide required information to prospective acquirers, including the limitations, if any, on such information. Assuming the information set forth in the affidavit is true and complete, any objection by the United States to information provided by defendants, including limitations on information, shall be made within fourteen (14) days of receipt of such affidavit.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, each defendant shall deliver to the United States an affidavit that describes in reasonable detail all actions defendants have taken and all steps defendants have implemented on an ongoing basis to comply with Section VIII of the Amended Final Judgment. Each such affidavit shall also include a description of the efforts defendants have taken to complete the sale of the Divestiture Assets, including efforts to secure FCC or other regulatory approvals. Defendants shall deliver to the United States an affidavit describing any changes to the efforts and actions outlined in defendants' earlier affidavits filed pursuant to this section within fifteen (15) calendar days after the change is implemented.

C. Defendants shall keep all records of all efforts made to preserve and divest the Divestiture Assets until one year after such divestiture has been completed.

X. COMPLIANCE INSPECTION

A. For the purposes of determining or securing compliance with the Amended Final Judgment, or of any related orders such as the Hold Separate Stipulation and Order, or of determining whether the Amended Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time duly authorized representatives of the United States Department of Justice, including consultants and other persons retained by the United States, shall, upon written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants, be permitted:

- (1) access during defendants' office hours to inspect and copy, or at the option of the United States, to require defendants to provide hard copies or electronic copies of, all books, ledgers, accounts, records, data and documents in the possession, custody or control of defendants, relating to any matters contained in the Amended Final Judgment; and

- (2) to interview, either informally or on the record, defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the reasonable convenience of the interviewee and without restraint or interference by defendants.

B. Upon the written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit written reports or responses to written interrogatories, under oath if requested, relating to any of the matters contained in the Amended Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than an authorized representative of the executive branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with the Amended Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by defendants to the United States, defendants represent and identify in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure, and defendants mark each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure," then the United States shall give defendants ten (10) calendar days notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

XI. NO REACQUISITION OR OTHER PROHIBITED ACTIVITIES

After the Divestiture Assets have been divested to an Acquirer or Acquirers acceptable to the United States in its sole discretion, and during the term of the Amended Final Judgment:

defendants may not (1) reacquire any part of the Divestiture Assets, (2) acquire any option to reacquire any part of the Divestiture Assets or to assign the Divestiture Assets to any other person, or (3) provide financing or guarantees of financing with respect to the Divestiture Assets. A defendant further may not, without the prior written consent of the United States, (1) enter into any time brokerage agreement, local marketing agreement, joint sales agreement, other cooperative selling arrangement, or any shared services agreement with respect to the Divestiture Assets, or (2) conduct other business negotiations jointly with the Acquirer(s) with respect to the Divestiture Assets. A defendant must apply for prior written consent of the United States for approval for such agreement(s) or changes to any such agreement(s). Approval by the United States is within the United States' sole discretion. In the event that the United States approves such an agreement, and before that agreement can take effect, the defendant must put in place information firewalls to prevent the disclosure, sharing, or use of confidential information between Acquirers and that defendant with respect to the operations of the Divestiture Assets. Such firewalls or changes to any such firewalls must first be approved by the United States in its sole discretion.

The shared services prohibition does not preclude a defendant from continuing or entering into any non-sales-related shared services agreement that is approved in advance by the United States in its sole discretion.

If defendants reach an agreement to divest the Divestiture Assets to the Acquirer, defendants may also enter into an agreement, approved in advance by the United States in its sole discretion, under which a defendant cedes to the Acquirer the sole right and ability to operate one or more of KOSI FM, KKFN FM and KYGO FM after the Court's approval of the Hold Separate Stipulation and Order in this matter, provided that any such time brokerage

agreement (as well as any time brokerage agreement between a defendant and the Acquirer relating to any other broadcast radio stations in the Denver MSA) must expire upon the termination of a final agreement to divest the Divestiture Assets to the Acquirer or upon the consummation of a final agreement to divest the Divestiture Assets to the Acquirer.

XII. RETENTION OF JURISDICTION

This Court retains jurisdiction to enable any party to the Amended Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe the Amended Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

XIII. EXPIRATION OF AMENDED FINAL JUDGMENT

Unless this Court grants an extension, the Amended Final Judgment shall expire on October 6, 2025.

XIV. PUBLIC INTEREST DETERMINATION

Entry of the Amended Final Judgment is in the public interest. The parties previously complied with the requirements of the Antitrust Procedures and Penalties Act, 15 U.S.C § 16, including making copies available to the public of the 2015 Final Judgment, the Competitive Impact Statement, and any comments thereon, and the United States' responses to comments. Based on the record before the Court, entry of the Amended Final Judgment is in the public interest.

Dated:

HON. RUDOLPH CONTRERAS
United States District Judge

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,

Plaintiff,

v.

ENTERCOM COMMUNICATIONS CORP.
and LINCOLN FINANCIAL MEDIA,
COMPANY

Defendants.

Civil Action No. 15-01119(RC)

~~Re: Document No.: 13~~

[PROPOSED] AMENDED FINAL JUDGMENT

WHEREAS, plaintiff, the United States of America, filed its Complaint on July 14, 2015, and plaintiff and Entercom Communications Corp. (“Entercom”) and Lincoln Financial Media Company (“Lincoln”), by their respective attorneys, ~~have~~ consented to the entry of ~~this~~the Final Judgment, which was entered by this Court on October 5, 2015 (the “2015 Final Judgment”), without trial or adjudication of any issue of fact or law herein, and without ~~this~~the 2015 Final Judgment constituting any evidence against or an admission by any party with respect to any issue of law or fact herein;

AND WHEREAS, ~~defendants have agreed to be bound by the provisions of this~~2015 Final Judgment ~~pending its approval by the Court;~~

~~AND WHEREAS, the essence of this Final Judgment is the prompt and certain divestiture of certain rights and assets by the defendants to assure that competition is not substantially lessened;~~

~~AND WHEREAS, the United States requires~~required defendants to make certain divestitures for the purpose of remedying the loss of competition alleged in the Complaint, and those divestitures were completed on November 24, 2015;

AND WHEREAS, the United States and defendants have ~~represented~~consented to the ~~United States that the divestitures required below can and will be made, and that~~entry of the Amended Final Judgment in order to amend Section XI of the 2015 Final Judgment;

AND WHEREAS, defendants ~~will later raise no claim of hardship or difficulty as grounds for asking the Court to modify any of the divestiture~~agree to be bound by the provisions contained below; of the Amended Final Judgment pending its approval by the Court;

NOW THEREFORE, before any testimony is taken, without trial or adjudication of any issue of fact or law, and upon consent of the parties, it is hereby ORDERED, ADJUDGED, and DECREED:

I. JURISDICTION

This Court has jurisdiction over each of the parties hereto and over the subject matter of this action. The Complaint states a claim upon which relief may be granted against defendants under Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18.

II. DEFINITIONS

As used in ~~this~~the Amended Final Judgment:

A. “Entercom” means defendant Entercom Communications Corp., a Pennsylvania corporation headquartered in Bala Cynwyd, Pennsylvania, its successors and assigns, and its subsidiaries, divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

B. “Lincoln” means defendant Lincoln Financial Media Company, a North Carolina corporation headquartered in Atlanta, Georgia, its successors and assigns, and its subsidiaries,

divisions, groups, affiliates, partnerships, and joint ventures, and their directors, officers, managers, agents, and employees.

C. “Acquirer” means Bonneville International Corporation, or another entity to which the defendants divest any Divestiture Assets.

D. “2015 Final Judgment” means the Final Judgment entered by this Court on October 5, 2015 in *United States v. Entercom Communications Corp.*, Case No. 15-01119.

D.E. “MSA” means Metropolitan Survey Area as defined by A.C. Nielsen Company and used by the *Investing in Radio BIA Market Report 2014* (1st edition). MSAs are ranked according to the number of households therein and are used by broadcasters, advertisers, and advertising agencies to aid in evaluating radio audience size and composition.

E.F. “KOSI FM” means the broadcast radio station located in the Denver, Colorado MSA owned by defendant Entercom.

E.G. “KKFN FM” means the broadcast radio station located in the Denver, Colorado MSA owned by defendant Lincoln.

G.H. “KYGO FM” means the broadcast radio station located in the Denver, Colorado MSA owned by defendant Lincoln.

H.I. “Divestiture Assets” means all of the assets, tangible or intangible, principally devoted to and necessary for the operations of KOSI FM, KKFN FM and KYGO FM as viable, ongoing commercial broadcast radio stations, except as otherwise agreed to in writing by the United States Department of Justice, including, but not limited to, all real property (owned or leased) principally devoted to and necessary for the operation of the stations, all broadcast equipment, office equipment, office furniture, fixtures, materials, supplies, and other tangible property principally devoted to and necessary for the operation of the stations; all licenses,

permits, authorizations, and applications therefore issued by the Federal Communications Commission (“FCC”) and other government agencies related to the stations; all contracts (including programming contracts and rights), agreements, network agreements, leases, and commitments and understandings of ~~Defendants~~defendants principally devoted to and necessary for the operation of the stations; all trademarks, service marks, trade names, copyrights, patents, slogans, programming materials, and promotional materials relating to the stations; all customer lists, contracts, accounts, and credit records; all logs and other records maintained by ~~Defendants~~defendants in connection with the stations; and rights (pursuant to a lease or other agreement acceptable to the United States in its sole discretion) to transmission facilities necessary for the operations of KOSI FM, KKFN FM and KYGO FM.

III. APPLICABILITY

A. ~~This~~The Amended Final Judgment applies to Entercom and Lincoln as defined above, and all other persons in active concert or participation with any of them who receive actual notice of ~~this~~the Amended Final Judgment by personal service or otherwise.

B. If, prior to complying with Sections IV and V of ~~this~~the Amended Final Judgment, defendants sell or otherwise dispose of all or substantially all of their assets or of lesser business units that include the defendants’ Divestiture Assets, they shall require the purchaser to be bound by the provisions of ~~this~~the Amended Final Judgment. Defendants need not obtain such an agreement from the Acquirer(s) of assets divested pursuant to the Amended Final Judgment.

IV. DIVESTITURES

A. Defendants are ordered and directed, within ninety (90) calendar days after the filing of the Hold Separate Stipulation and Order in this matter, to divest the Divestiture Assets to an Acquirer or Acquirers acceptable to the United States, in its sole discretion. The United

States, in its sole discretion, may agree to one or more extensions of this time period not to exceed ninety (90) calendar days in total, and shall notify the Court in such circumstances. With respect to divestiture of the Divestiture Assets by defendants or the trustee appointed pursuant to Section V of ~~this~~the Amended Final Judgment, if applications have been filed with the FCC within the period permitted for divestiture seeking approval to assign or transfer licenses to the Acquirer(s) of the Divestiture Assets, but an order or other dispositive action by the FCC on such applications has not been issued before the end of the period permitted for divestiture, the period shall be extended with respect to divestiture of the Divestiture Assets for which no FCC order has issued no later than ten (10) business days after the order of the FCC consenting to the assignment of the Divestiture Assets to Bonneville has become final. Entercom shall use its best efforts to accomplish the divestitures ordered by ~~this~~the Amended Final Judgment as expeditiously as possible, including using its best efforts to obtain all necessary FCC approvals as expeditiously as possible. ~~This~~The Amended Final Judgment does not limit the FCC's exercise of its regulatory powers and process with respect to the Divestiture Assets. Authorization by the FCC to conduct the divestiture of a Divestiture Asset in a particular manner will not modify any of the requirements of ~~this~~the Amended Final Judgment.

B. In the event that defendants are attempting to divest assets related to KOSI FM, KKFN FM or KYGO FM to an Acquirer other than Bonneville:

- (1) Defendants promptly shall make known, by usual and customary means, the availability of the Divestiture Assets;
- (2) Defendants shall inform any person making inquiry regarding a possible purchase of the Divestiture Assets that they are being divested pursuant to

~~this~~the Amended Final Judgment and provide that person with a copy of
~~this~~the Amended Final Judgment;

- (3) Defendants shall offer to furnish to all bona fide prospective acquirers, subject to customary confidentiality assurances, all information and documents relating to the Divestiture Assets customarily provided in a due diligence process except such information or documents subject to the attorney-client privilege or work-product doctrine; and
- (4) Defendants shall make available such information to the United States at the same time that such information is made available to any other person.

C. Defendants shall provide the Acquirer(s) and the United States information relating to the personnel involved in and necessary to the operation or management of the Divestiture Assets to enable the Acquirer(s) to make offers of employment. Defendants shall not interfere with any negotiations by the Acquirer(s) to employ or contract with any employee of any defendant who is involved in and necessary to the operation or management of the Divestiture Assets.

D. Defendants shall permit the Acquirer(s) of the Divestiture Assets to have reasonable access to personnel and to make inspections of the physical facilities of KOSI FM, KKFN FM and KYGO FM; access to any and all environmental, zoning, and other permit documents and information; and access to any and all financial, operational, or other documents and information customarily provided as part of a due diligence process.

E. Entercom shall warrant to the Acquirer(s) that each Divestiture Asset will be operational on the date of sale.

F. Defendants shall not take any action that will impede in any way the permitting, operation, or divestiture of the Divestiture Assets.

G. Entercom shall warrant to the Acquirer(s) that there are no material defects in the environmental, zoning, or other permits pertaining to the operation of each Divestiture Asset, and that, following the sale of the Divestiture Assets, defendants will not undertake, directly or indirectly, any challenges to the environmental, zoning, or other permits relating to the operation of the Divestiture Assets.

H. The foregoing Sections IV.C through IV.G shall not apply in the event that the acquirer of the Divestiture Assets is Bonneville pursuant to the Asset Exchange Agreement dated as of July 10, 2015, by and among Entercom Radio, LLC, Entercom License, LLC, Entercom Denver, LLC, Entercom California, LLC, and Bonneville International ~~Corporation~~Corporation, and, as of the Closing, Lincoln Financial Media Company.

I. Unless the United States otherwise consents in writing, the divestiture pursuant to Section IV, or by trustee appointed pursuant to Section V of ~~this~~the Amended Final Judgment, shall include the entire Divestiture Assets and be accomplished in such a way as to satisfy the United States, in its sole discretion, that the Divestiture Assets can and will be used by the Acquirer(s) as part of a viable, ongoing commercial radio broadcasting business, and the divestiture of such assets will achieve the purposes of ~~this~~the Amended Final Judgment and remedy the competitive harm alleged in the Complaint. The divestitures, whether pursuant to Section IV or Section V of ~~this~~the Amended Final Judgment:

- (1) shall be made to an Acquirer or Acquirers that, in the United States' sole judgment, has the intent and capability (including the necessary

managerial, operational, technical, and financial capability) of competing effectively in the commercial radio broadcasting business; and

- (2) shall be accomplished so as to satisfy the United States, in its sole discretion, that none of the terms of any agreement between an Acquirer and defendants gives defendants the ability unreasonably to raise any Acquirer's costs, to lower any Acquirer's efficiency, or otherwise to interfere in the ability of any Acquirer to compete effectively.

V. APPOINTMENT OF TRUSTEE

A. If defendants have not divested the Divestiture Assets within the time period specified in Section IV(A), defendants shall notify the United States of that fact in writing. Upon application of the United States, the Court shall appoint a Divestiture Trustee selected by the United States and approved by the Court to effect the divestiture of the Divestiture Assets.

B. After the appointment of a Divestiture Trustee becomes effective, only the trustee shall have the right to sell the Divestiture Assets. The Divestiture Trustee shall have the power and authority to accomplish the divestiture to an Acquirer(s) acceptable to the United States at such price and on such terms as are then obtainable upon reasonable effort by the trustee, subject to the provisions of Sections IV, V, and VI of ~~this~~the Amended Final Judgment, and shall have such other powers as this Court deems appropriate. Subject to Section V(D) of ~~this~~the Amended Final Judgment, the Divestiture Trustee may hire at the cost and expense of defendants any investment bankers, attorneys, or other agents, who shall be solely accountable to the trustee, reasonably necessary in the trustee's judgment to assist in the divestiture. Any such investment bankers, attorneys, or other agents shall serve on such terms and conditions as the United States approves, including confidentiality requirements and conflict of interest certifications.

C. Defendants shall not object to a sale by the trustee on any ground other than the trustee's malfeasance. Any such objections by defendants must be conveyed in writing to the United States and the Divestiture Trustee within ten (10) calendar days after the trustee has provided the notice required under Section VI.

D. The Divestiture Trustee shall serve at the cost and expense of defendants pursuant to a written agreement, on such terms and conditions as the United States approves, including confidentiality requirements and conflict-of-interest certifications. The trustee shall account for all monies derived from its sale of the Divestiture Assets and all costs and expenses so incurred. After approval by the Court of the trustee's accounting, including fees for its services yet unpaid and those of any professionals and agents retained by the trustee, all remaining money shall be paid to defendants and the trust shall then be terminated. The compensation of the Divestiture Trustee and any professionals and agents retained by the trustee shall be reasonable in light of the value of the Divestiture Assets and based on a fee arrangement providing the trustee with an incentive based on the price and terms of the divestiture and the speed with which it is accomplished, but timeliness is paramount. If the Divestiture Trustee and defendants are unable to reach agreement on the trustee's or any agents' or consultants' compensation or other terms and conditions of engagement within 14 calendar days of appointment of the trustee, the United States may, in its sole discretion, take appropriate action, including making a recommendation to the Court. The Divestiture Trustee shall, within three (3) business days of hiring any other professionals or agents, provide written notice of such hiring and the rate of compensation to defendants and the United States.

E. Defendants shall use their best efforts to assist the Divestiture Trustee in accomplishing the required divestiture. The Divestiture Trustee and any consultants,

accountants, attorneys, and other agents retained by the trustee shall have full and complete access to the personnel, books, records, and facilities of the business to be divested, and defendants shall develop financial and other information relevant to such business as the trustee may reasonably request, subject to reasonable protection for trade secret or other confidential research, development, or commercial information or any applicable privileges. Defendants shall take no action to interfere with or to impede the Divestiture Trustee's accomplishment of the divestiture.

F. After its appointment, the Divestiture Trustee shall file monthly reports with the United States and, as appropriate, the Court setting forth the trustee's efforts to accomplish the divestiture ordered under ~~this~~the Amended Final Judgment. To the extent such reports contain information that the Divestiture Trustee deems confidential, such reports shall not be filed in the public docket of the Court. Such reports shall include the name, address, and telephone number of each person who, during the preceding month, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person. The Divestiture Trustee shall maintain full records of all efforts made to divest the Divestiture Assets.

G. If the Divestiture Trustee has not accomplished the divestiture ordered under ~~this~~the Amended Final Judgment within six months after its appointment, the trustee shall promptly file with the Court a report setting forth (1) the trustee's efforts to accomplish the required divestiture, (2) the reasons, in the trustee's judgment, why the required divestiture has not been accomplished, and (3) the trustee's recommendations. To the extent such report contains information that the Divestiture Trustee deems confidential, such report shall not be

filed in the public docket of the Court. The Divestiture Trustee shall at the same time furnish such report to the United States which shall have the right to make additional recommendations consistent with the purpose of the trust. The Court thereafter shall enter such orders as it shall deem appropriate to carry out the purpose of the Amended Final Judgment, which may, if necessary, include extending the trust and the term of the Divestiture Trustee's appointment by a period requested by the United States.

H. If the United States determines that the Divestiture Trustee has ceased to act or failed to act diligently or in a reasonably cost-effective manner, it may recommend the Court appoint a substitute Divestiture Trustee.

VI. NOTICE OF PROPOSED DIVESTITURE

A. Within two (2) business days following execution of a definitive divestiture agreement, defendants or the Divestiture Trustee, whichever is then responsible for effecting the divestiture required herein, shall notify the United States of any proposed divestiture required by Section IV or V of ~~this~~the Amended Final Judgment. If the Divestiture Trustee is responsible, it shall similarly notify defendants. The notice shall set forth the details of the proposed divestiture and list the name, address, and telephone number of each person not previously identified who offered or expressed an interest in or desire to acquire any ownership interest in the Divestiture Assets, together with full details of the same.

B. Within fifteen (15) calendar days of receipt by the United States of such notice, the United States may request from defendants, the proposed Acquirer(s), any other third party, or the Divestiture Trustee, if applicable, additional information concerning the proposed divestiture(s), the proposed Acquirer(s), and any other potential Acquirer. Defendants and the Divestiture Trustee shall furnish any additional information requested within fifteen (15) calendar days of the receipt of the request, unless the parties shall otherwise agree.

C. Within thirty (30) calendar days after receipt of the notice or within twenty (20) calendar days after the United States has been provided the additional information requested from defendants, the proposed Acquirer(s), any third party, and the Divestiture Trustee, whichever is later, the United States shall provide written notice to defendants and the trustee, if there is one, stating whether or not it objects to the proposed divestiture. If the United States provides written notice that it does not object, the divestiture may be consummated, subject only to defendants' limited right to object to the sale under Section V(C) of ~~this~~the Amended Final Judgment. Absent written notice that the United States does not object to the proposed Acquirer(s) or upon objection by the United States, a divestiture proposed under Section IV or Section V shall not be consummated. Upon objection by defendants under Section V(C), a divestiture proposed under Section V shall not be consummated unless approved by the Court.

VII. FINANCING

Defendants shall not finance all or any part of any purchase made pursuant to Section IV or V of ~~this~~the Amended Final Judgment.

VIII. HOLD SEPARATE

Until the divestiture required by ~~this~~the Amended Final Judgment has been accomplished, defendants shall take all steps necessary to comply with the Hold Separate Stipulation and Order entered by this Court. Defendants shall take no action that would jeopardize the divestiture ordered by this Court.

IX. AFFIDAVITS

A. Within twenty (20) calendar days of the filing of the Complaint in this matter, and every thirty (30) calendar days thereafter until the divestiture has been completed under Section IV or V of ~~this~~the Amended Final Judgment, defendants shall deliver to the United States an affidavit as to the fact and manner of their compliance with Section IV or V of ~~this~~the Amended

Final Judgment. Each such affidavit shall include the name, address, and telephone number of each person who, during the preceding thirty (30) days, made an offer to acquire, expressed an interest in acquiring, entered into negotiations to acquire, or was contacted or made an inquiry about acquiring, any interest in the Divestiture Assets, and shall describe in detail each contact with any such person during that period. Each such affidavit shall also include a description of the efforts defendants have taken to solicit buyers for and complete the sale of the Divestiture Assets, including efforts to secure FCC or other regulatory approvals, and to provide required information to prospective acquirers, including the limitations, if any, on such information. Assuming the information set forth in the affidavit is true and complete, any objection by the United States to information provided by defendants, including limitations on information, shall be made within fourteen (14) days of receipt of such affidavit.

B. Within twenty (20) calendar days of the filing of the Complaint in this matter, each defendant shall deliver to the United States an affidavit that describes in reasonable detail all actions defendants have taken and all steps defendants have implemented on an ongoing basis to comply with Section VIII of ~~this~~the Amended Final Judgment. Each such affidavit shall also include a description of the efforts defendants have taken to complete the sale of the Divestiture Assets, including efforts to secure FCC or other regulatory approvals. Defendants shall deliver to the United States an affidavit describing any changes to the efforts and actions outlined in defendants' earlier affidavits filed pursuant to this section within fifteen (15) calendar days after the change is implemented.

C. Defendants shall keep all records of all efforts made to preserve and divest the Divestiture Assets until one year after such divestiture has been completed.

X. COMPLIANCE INSPECTION

A. For the purposes of determining or securing compliance with ~~this~~the Amended Final Judgment, or of any related orders such as the Hold Separate Stipulation and Order, or of determining whether the Amended Final Judgment should be modified or vacated, and subject to any legally recognized privilege, from time to time duly authorized representatives of the United States Department of Justice, including consultants and other persons retained by the United States, shall, upon written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants, be permitted:

- (1) access during defendants' office hours to inspect ~~and~~ copy, or at the option of the United States, to require defendants to provide hard copies or electronic copies of, all books, ledgers, accounts, records, data and documents in the possession, custody or control of defendants, relating to any matters contained in ~~this~~the Amended Final ~~Judgment~~; and
- (2) to interview, either informally or on the record, defendants' officers, employees, or agents, who may have their individual counsel present, regarding such matters. The interviews shall be subject to the reasonable convenience of the interviewee and without restraint or interference by defendants.

B. Upon the written request of an authorized representative of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit written reports or responses to written interrogatories, under oath if requested, relating to any of the matters contained in ~~this~~the Amended Final Judgment as may be requested.

C. No information or documents obtained by the means provided in this section shall be divulged by the United States to any person other than an authorized representative of the

executive branch of the United States, except in the course of legal proceedings to which the United States is a party (including grand jury proceedings), or for the purpose of securing compliance with ~~this~~the Amended Final Judgment, or as otherwise required by law.

D. If at the time information or documents are furnished by defendants to the United States, defendants represent and identify in writing the material in any such information or documents to which a claim of protection may be asserted under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure, and defendants mark each pertinent page of such material, "Subject to claim of protection under Rule 26(c)(1)(G) of the Federal Rules of Civil Procedure," then the United States shall give defendants ten (10) calendar days notice prior to divulging such material in any legal proceeding (other than a grand jury proceeding).

XI. NO REACQUISITION OR OTHER PROHIBITED ACTIVITIES

After the Divestiture Assets have been divested to an Acquirer or Acquirers acceptable to the United States in its sole discretion, ~~Defendants~~and during the term of the Amended Final Judgment: defendants may not (1) reacquire any part of the Divestiture Assets, (2) acquire any option to reacquire any part of the Divestiture Assets or to assign the Divestiture Assets to any other person, ~~(3) or (3) provide financing or guarantees of financing with respect to the Divestiture Assets. A defendant further may not, without the prior written consent of the United States, (1)~~ enter into any time brokerage agreement, local marketing agreement, joint sales agreement, other cooperative selling arrangement, or any shared services agreement with respect to the Divestiture Assets, or (2) conduct other business negotiations jointly with the Acquirer(s) with respect to the Divestiture Assets, ~~or (4) provide financing or guarantees of financing with respect to the Divestiture Assets, during the term of this Final Judgment.~~ A defendant must apply for prior written consent of the United States for approval for such agreement(s) or changes to any such agreement(s). Approval by the United States is within the United States' sole discretion. In the

event that the United States approves such an agreement, and before that agreement can take effect, the defendant must put in place information firewalls to prevent the disclosure, sharing, or use of confidential information between Acquirers and that defendant with respect to the operations of the Divestiture Assets. Such firewalls or changes to any such firewalls must first be approved by the United States in its sole discretion.

The shared services prohibition does not preclude ~~defendants~~a defendant from continuing or entering into any non-sales-related shared services agreement that is approved in advance by the United States in its sole discretion.

If defendants reach an agreement to divest the Divestiture Assets to the Acquirer, defendants may also enter into an agreement, approved in advance by the United States in its sole discretion, under which a defendant cedes to the Acquirer the sole right and ability to operate one or more of KOSI FM, KKFN FM and KYGO FM after the Court's approval of the Hold Separate Stipulation and Order in this matter, provided that any such time brokerage agreement (as well as any time brokerage agreement between a defendant and the Acquirer relating to any other broadcast radio stations in the Denver MSA) must expire upon the termination of a final agreement to divest the Divestiture Assets to the Acquirer or upon the consummation of a final agreement to divest the Divestiture Assets to the Acquirer.

XII. RETENTION OF JURISDICTION

This Court retains jurisdiction to enable any party to ~~this~~the Amended Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe ~~this~~the Amended Final Judgment, to modify any of its provisions, to enforce compliance, and to punish violations of its provisions.

XIII. EXPIRATION OF ~~AMENDED~~ FINAL JUDGMENT

Unless this Court grants an extension, ~~this~~the Amended Final Judgment shall expire ~~ten~~
~~(10) years from the date of its entry~~on October 6, 2025.

XIV. PUBLIC INTEREST DETERMINATION

Entry of ~~this~~the Amended Final Judgment is in the public interest. The parties
~~have previously~~ complied with the requirements of the Antitrust Procedures and Penalties Act, 15
U.S.C § 16, including making copies available to the public of ~~this~~the 2015 Final Judgment, the
Competitive Impact Statement, and any comments thereon, and the United States' responses to
comments. Based on the record before the Court, ~~which includes the Competitive Impact~~
~~Statement and any comments and responses to comments filed with the Court, entry of this~~entry
of the Amended Final Judgment is in the public interest.

~~Court approval subject to procedures of Antitrust Procedures and Penalties Act, 15
U.S.C. § 16.~~

Dated: ~~October 5, 2015~~

~~/s/~~

HON. RUDOLPH CONTRERAS
United States District Judge