

Cause No. 2020-19224

SARA (GUEVARA) FRANCO	§	IN THE DISTRICT COURT
	§	
VS.	§	312TH DISTRICT COURT
	§	
HECTOR GUEVARA AND	§	
CENTRO CRISTIANO DE VIDA ETERNA	§	HARRIS COUNTY, TEXAS

**RELEASE AND COMPROMISE OF JUDGMENT and SETTLEMENT AGREEMENT
OF ALL PENDING CAUSES OF ACTION**

WHEREAS on October 1, 2021, the 312th District Court granted a judgment, joint and severally against Hector Guevara (hereafter “Hector”) and Centro Cristiano De Vida Eterna (hereafter “Centro”) and in favor of SDK FRANCO, LLC (hereafter “SDK”) and in favor of Sara (Guevara) Franco (hereafter “Sara”) against Hector in cause number 2020-19224;

WHEREAS the parties have reached a mutual agreement for the compromise and satisfaction of the judgement and other pending claims (hereafter “Release”);

WHEREAS the value of the money judgment when granted to SDK against Hector and Centro was \$565,510.00, together with interest at the rate of 5% as of September 10, 2021, compounded annually until paid;

WHEREAS the value of the money judgment when granted to SDK and Sara against Hector and Centro as a cost award of \$388.50, together with interest at the rate of 5% as of September 8, 2021 (\$296.50 to Sara and \$92 to SDK), compounded annually until paid;

WHEREAS the value of the money judgment when granted to Sara against Hector was \$6,000, together with interest at the rate of 5% as of September 8, 2021, compounded annually until paid;

WHEREAS the parties have agreed that the value of the below-listed assets (hereafter “Assets”), in conjunction with the completion of the following agreements by Hector and Centro, is of a value to SDK at least equal to the current value of the money judgment owed to SDK. The Assets are:

A. The licenses (hereafter collectively “FCC Licenses”) issued by the Federal Communications Commission (hereafter “FCC”) associated with FM translator stations K223DH, Houston, Texas (Facility No. 148295) and K287CK, Angleton, Texas (Facility No. 91991) (hereafter collectively “Stations”);

B. All equipment located at the Stations’ tower site(s) used in the operation of the Stations, together with any additions thereto or replacements thereof made between the date hereof and the Closing Date (defined below);

C. The right, title, and interest of Hector or Centro in and to all contracts and agreements associated with the Stations; and

D. All the right, title, and interest of Hector and Centro in and to the Stations' intangible personal property.

WHEREAS Hector and Centro have agreed to timely perform the following acts:

1. Hector and Centro agree to deliver a total of One Hundred Thousand Dollars (\$100,000), to SDK in installments of \$10,000.00 each, payable on the 6th day of each month, beginning October 6, 2023, and like payments on the 6th day of each month thereafter until the \$100,000 is paid in full. Hector and Centro further agree to pay \$5,000 on September 12, 2023, \$5,000 on September 15, 2023, and \$5,000 on September 19, 2023 as payments to the \$100,000.00 above.

2. Within two (2) business days after the execution of this Agreement, Hector and Centro shall prepare, execute, and submit Centro's portion of an application seeking consent to the assignment of the FCC Licenses from Seller to Buyer (hereafter "FCC Application") and all information, data, exhibits, resolutions, statements, and other materials necessary and proper in connection with such FCC Application. Hector and Centro agree expeditiously to prepare amendments to the FCC Application whenever such amendments are required by the Communications Act of 1934, as amended and the rules and published policies of the FCC promulgated thereunder (hereafter collectively, "Communications Laws"). Hector and Centro shall submit Centro's portion of the FCC Application to the FCC electronically, consistent with the FCC's procedures. Hector and Centro shall prosecute the FCC Application with all reasonable diligence and otherwise use commercially reasonable efforts to obtain the grant of the FCC Application as expeditiously as reasonably practicable. The fee to be paid to the FCC in conjunction with the filing of the FCC Application will be shared equally by Centro and SDK.

3. Neither Centro nor Hector shall take any intentional action that would, or intentionally fail to take such action the failure of which to take would, reasonably be expected to have the effect of materially delaying the issuance of the consent by the FCC to the FCC Application (hereafter "FCC Consent"). If reconsideration or judicial review is sought with respect to the FCC Consent of the FCC Application, Centro and Hector shall vigorously oppose such efforts for reconsideration or judicial review.

4. The date on which the assignment of the FCC Licenses from Hector and Centro to SDK shall occur is the "Closing Date." Before the Closing Date, neither Centro nor Hector shall, without the prior written consent of SDK:

a. Sell, lease or transfer or agree to sell, lease, or transfer, or make any material change to the Assets;

b. Make or attempt to make any change in the FCC Licenses, other than to keep the FCC Licenses in full force and effect;

c. Enter into any contract, lease or commitment relating to the Stations or incur any other obligation with respect to the Stations;

d. Take any action that would make the consummation of the assignment of the FCC Licenses contrary to the Communications Laws or require a waiver of the Communications Laws.

5. Before the Closing Date, Centro and Hector shall:

a. maintain and preserve their rights under the FCC Licenses and operate the Stations in the ordinary course of business, and in accordance with the Communications Laws and with all other applicable laws, regulations, rules and orders and good engineering practices.

b. Deliver all documents to SDK as are reasonably necessary for SDK to effectuate, document, and receive the benefit of the transactions contemplated hereby.

6. The effectiveness of this Release is expressly conditioned upon:

a. The performance by Centro and Hector, in all material respects, with all covenants, agreements, representations, warranties and undertakings required by this Release to be performed or complied with by Centro and Hector.

b. No governmental or judicial authority shall have enacted, enforced, issued or entered any law, rule, regulation or order, including in connection with any action or proceeding brought by a third party (not subsequently dismissed, settled or otherwise terminated), which prohibits or invalidates the transaction contemplated by this Release or prevents, limits, restricts or impairs the ownership, use or operation of the FCC Licenses by SDK.

c. The FCC Consent of the FCC Application shall have been issued by the FCC without any condition materially adverse to Buyer.

d. All liens, encumbrances, debts, security interests, mortgages, trusts, claims, pledges, charges, covenants, conditions, defects in title or restrictions of any kind associated in any way with the Stations shall have been released, as evidenced by payoff letters.

The parties agree and covenant that:

I. Between the date of this Release and the Closing Date, SDK shall not control, manage, or supervise the operation of the Stations or conduct of the Stations' business, all of which shall remain the sole responsibility and under the control of Centro.

II. As of the Closing Date and the completion of all the above specified acts by Hector, SDK, accepts the above terms of this agreement and compromises and releases the above referenced judgment as paid in full and SDK releases Hector and Centro from all liability under and for the judgement, save and except as provided by provision VI below.

III. Upon execution of this agreement, counsel for Sara shall prepare and provide to Counsel for Hector a notice of non-suit with prejudice of the enforcement motion now pending against Hector and report to State Court that an agreement has been reached – requesting a reset for 30 days to exchange the documents referenced herein and complete the first payment of funds by Hector and Centro. Upon performance of the obligations, Counsel for Sara shall file the notice of nonsuit.

IV. Upon execution of this agreement, Counsel for Hector shall prepare and agreed order providing for the modification of post-divorce maintenance that modifies the maintenance due by Hector to Sara to Zero. Upon compliance with the terms of this agreement, the agreed order shall be executed by Sara and Hector and filed in the Divorce case. The motion in the enforcement case shall be dismissed with prejudice by agreement without sanctions.

V. Upon execution of this agreement, a release for all the monies due by Hector and/or Centro under cause number 2020-19224 shall be prepared and exchanged between counsel and executed by Sara and SDK only upon compliance with the terms of this agreement by Centro and Hector, subject to provision VI below.

VI. Upon a breach by Hector or Centro of any provision hereof, SDK may declare this Release null and void. Upon breach by SDK or Sara of any provision hereof, Centro may seek specific performance, attorneys’ fees, and damages.

VII. This document is the entirety of the agreement between the parties as to the stations, judgments, and all pending claims. This agreement can only be amended or modified by written agreement, signed by all parties. No oral agreements or amendments are permitted.

VIII. The signatories below for Centro and SDK warrant that they have full authority to execute this agreement and bind Centro and SDK to the terms of this agreement, accepting the obligations and releasing the related claims, and each party warrants that they executed this compromise and settlement Release agreement only for the purposes stated herein.



Hector Guevara

9-11-2023
Date



For Centro

9-11-2023
Date

 

For SDK

09/11/23
Date

   

Sara Franco

09/11/23
Date