

TERM SHEET

**FORM OF PROGRAMMING AGREEMENT
WITH RESPECT TO WKAQ(FM) AND
WUKQ(FM) (TOGETHER, THE “STATION”)**

Parties

- TelevisaUnivision, Inc., (Delaware) (“TU”)
- Univision of Puerto Rico remaining entity TBD (collectively with TU, the “Programmer”)
- Hemisphere Media Group, Inc. (Delaware) (“HMG”)

Term

- 3-year term (“Term”)
- Parties may mutually agree to extend for additional terms of 1-year each
- Programmer may terminate, in its sole discretion, upon 90 days notice to HMG.

Rights/Responsibilities: Programmer

- **Programming:**

Programmer will not be involved in programming any of the other HMG assets, including any other Puerto Rico radio or television stations.

Programmer will oversee and manage the Station’s music programming (the “Programming”), consistent with HMG’s written standards and practices, provided that such standards and practices shall not prohibit continuation of the station’s current program format. The Programming will be substantially similar in terms of format, content and quality to the programming transmitted by Programmer on the Station prior to the Effective Date. Notwithstanding the preceding sentence, Programmer, after consulting with HMG, will modify the format and content as HMG deems necessary to respond to the needs or interests of the local community by taking into account, among other things, changing listeners’ tastes and audience share. Without limiting the foregoing, Programmer shall select all songs on the Station’s playlist, subject to the requirements herein. HMG shall be responsible for the cost of all music licensing and performance rights for its terrestrial broadcasts in Puerto Rico, provided that Programmer agrees to make good faith efforts to obtain approval from GMR to continue to program the Station under the current music license agreement, in which case HMG will reimburse Programmer for the fees under its agreement attributable to the Station. Programmer shall provide HMG with all reports on music played required to be submitted to performance rights organizations.

Programmer will provide HMG with a quarterly programming audit, which shall review prior quarterly ratings trends, highlight changes made in music over the previous quarter, and present programming initiatives coming up in the following quarter, as well as provide any additional information reasonably requested by HMG.

Programmer will provide HMG with monthly reports on the content of the Programming, including the playlist, adds, category of music, ratings and other matters customarily included in reports from program directors or consultants, and any other information reasonably requested by HMG in order to assess the performance of the Programming.

Programmer commits that its team will conduct monthly research meetings and twice-yearly catalog studies with respect to the Station's music format, entirely at its own expense.

Programmer will meet monthly with HMG's management to review the performance of the Programming.

- Staff: HMG shall permit Programmer to maintain up to three (3) employees of the Programmer on the Station premises in order to manage the Programmer's services to the Station under this Agreement, and will provide one private office and two cubicles on the premises for their use. Though employed by the Programmer, Programmer's employees will be subject to HMG's oversight when on the Station's premises. Programmer shall be responsible for the salaries, taxes, insurance, and related costs for all personnel employed by Programmer.
- Regulatory and Other Obligations: Programmer shall ensure that the Programming complies with all applicable laws, including any laws regarding sponsorship identification. Programmer shall provide HMG with any relevant information it may have that is necessary for HMG to comply with FCC obligations pertaining to the Station. Programmer must comply with all applicable laws in the performance of its duties hereunder. Programmer shall indemnify HMG for all third-party claims arising from the content of the Programming, but not for content provided by HMG.

Rights/Responsibilities: HMG

- General Control:

HMG will be solely responsible for the programming and operations of the other radio stations acquired from TelevisaUnivision, such as news talk station WKAQ 580.

Although HMG delegates to Programmer certain rights and responsibilities described herein with respect to the music format on the Station, HMG will retain full authority, power, and control over the policies, programming, personnel and operations of the Station,

and nothing herein shall be interpreted as depriving HMG of the power or right of such ultimate control.

- Station Promotions:

HMG shall have the right to direct promotions voiced by its on-air talent on the Station, including but not limited to promotions for commercial advertisers or for HMG's television stations, program networks, or other radio stations. Without limiting the foregoing, HMG shall have the right to direct on-air talent to broadcast from a particular location pursuant to any agreement it may have with an advertiser. In exercising these rights, HMG will comply fully with FCC rules and other applicable laws regarding sponsorship identification and other disclosures. HMG shall indemnify Programmer for all third-party claims to the extent they result from the content of the promotions it directs. Programmer will cooperate with HMG in the production of promotions and advertisements. Programmer will provide the Station with the benefits of any promotions, special events, artist appearances, concert tickets and the like available to TU's radio stations generally consistent with TU's past practices with respect to the Station and will request that musical artists that it arranges to be interviewed on the Station make themselves available for appearances on HMG's other broadcast outlets.

- Control Over Programming on the Station: In addition to all other rights hereunder, HMG will have the right to:

- Alter, modify, or insert material into the Programming to comply with applicable laws;
- Reject or refuse any Programming or portion thereof that HMG believes to be indecent, unsatisfactory or unsuitable, or contrary to the public interest;
- Substitute any or all Programming or portion thereof with programming that HMG believes to be of greater local or national importance or that is designed to address the problems, needs, and interests of the local community;
- Preempt any Programming in the event of a local, regional or national emergency; and
- Refuse to broadcast any Programming or portion thereof that:
 - Violates a substantive legal right of any third party;
 - Does not comply with FCC rules; or
 - Does not comply with any other provisions of this Programming Agreement.
- Preempt the Programming at any time to air sports events or breaking news.
- HMG agrees that it will not exercise these rights in an arbitrary manner or in a commercially irresponsible manner. For example, HMG will not use the rights under this section to preempt the Programming with long-form advertising or excessive amounts of public affairs programs that would reasonably be expected to negatively impact the Audience Share as defined below.

- Commercial Advertising: HMG will retain the right to sell all of the commercial time in the Programming and to retain all revenue derived therefrom. HMG shall determine, in its

sole discretion, the number, length and placement of commercial breaks in the Programming.

- Control Over Facilities: HMG shall be responsible for maintaining the Station facilities in a manner reasonably necessary to comply with the FCC's rules and in a such a manner that each Party can fulfill its duties under this Agreement. Notwithstanding the previous sentence, HMG shall have the right to cease broadcast operations of the Station in the event of an emergency, in which case it will provide notice to TU as soon as possible after the fact.
- Staff: HMG shall employ all on-air talent and production personnel used in the production of Programming at the direction of Programmer. HMG shall be responsible for the salaries, taxes, insurance, and related costs for all personnel employed by HMG. HMG will consult with Programmer about any changes in on-air talent, but HMG retains control over the selection and terms of employment of any talent or other employees.
- Transmission and Clearance: HMG shall be responsible for: (a) obtaining and paying for all necessary programming and licensing rights, clearances, and authorizations required by applicable law for the Station to broadcast the Programming over the Term, including but not limited to music licensing fees; and (b) ensuring that any programs or other content that HMG supplies to the Station comply with all applicable laws and regulations of the United States and Puerto Rico (including the FCC's rules), is not defamatory, and does not violate or infringe any patent, trademark, trade secret, right of privacy or publicity, or any other rights of any third parties.
- Reservation of Time for HMG Programs: Outside of the 6AM-7PM Monday-Friday time periods, HMG retains the right to air an average of two hours per day of programming (determined quarterly) produced by HMG or obtained from third parties.

Exclusivity and Distribution Rights

- HMG: HMG will have exclusive rights to distribute the entire program stream of the Station (the "Program Stream") via terrestrial radio in Puerto Rico, and the non-exclusive right to distribute the Program Stream by audio streaming services in Puerto Rico and in other markets. HMG shall be responsible for all necessary programming and licensing rights, clearances, and authorizations required by applicable law for HMG's transmission of the Programming on other stations or platforms (other than Programmer's stations or platforms), including but not limited to music licensing fees.
- Programmer: Programmer will have non-exclusive rights to distribute the entire Program Stream via terrestrial radio on stations outside of Puerto Rico, and the non-exclusive right to distribute the Program Stream by Uforia audio streaming in Puerto Rico and in other markets. For all other stations or platforms, except for Uforia, Programmer shall be responsible for securing all necessary programming and licensing rights, clearances, authorizations, and music licensing fees required by applicable law for Programmer's

transmission of the Program Stream. For the Uforia service, HMG shall be responsible for (a) securing all necessary programming and licensing rights, clearances, authorizations, and music licensing fees required by applicable law for Programmer's transmission of the Program Stream; and (b) selling all advertising during the Program Stream. In return, HMG shall retain [REDACTED]

Consideration

- [REDACTED]

[REDACTED]



Severance

- Prior to the beginning of the Term, if any concern is raised by the FCC, or a third party before the FCC, pertaining to a provision of this Programming Agreement or to a provision that should be included in this Programming Agreement, and the concern is reasonably likely to delay substantially the closing of HMG's acquisition of the Station, the parties shall work together in good faith to consider modification of the Programming Agreement so as to remove the concern while preserving the overall objectives of this Agreement.

Other Provisions

- The Programming Agreement will contain other provisions which are customary for such agreements, including, without limitation, the parties' agreement to enter into any additional agreements that are necessary as a result of any changes to this Programming Agreement.

PRIVILEGED AND CONFIDENTIAL
EXHIBIT I

Station

Call Sign	Community of License	FCC Facility ID Number	Service
WKAQ-FM	San Juan, Puerto Rico	19098	FM
WKAQ-FM1	Juana Diaz, Puerto Rico	19100	FM booster
WKAQ-FM2	Fajardo, Puerto Rico	179635	FM booster

Satellite Station

Call Sign	Community of License	FCC Facility ID Number	Service
WUKQ-FM	Mayaguez, Puerto Rico	54818	FM