

## **FORM OF NON-COMPETITION AGREEMENT**

This NON-COMPETITION AGREEMENT (this “**Agreement**”), dated \_\_\_\_\_, 2013, is made by and among TELEMUNDO MID-ATLANTIC LLC, a Delaware limited liability company and NBC TELEMUNDO LICENSE LLC, a Delaware limited liability company (collectively, “**Buyer**”), ZGS PHILADELPHIA, INC., a Delaware corporation (“**Seller**”), ZGS COMMUNICATIONS, INC., a Delaware corporation (“**Parent**”), and RONALD GORDON and EDUARDO ZAVALA (“**Individuals**”) (each of the parties hereto other than Buyer, a “**Restricted Party**” and collectively the “**Restricted Parties**”).

WHEREAS, Buyer, Parent and Seller have entered into an Asset Purchase Agreement dated as of March 1, 2013 (the “**Purchase Agreement**”) pursuant to which certain of the Restricted Parties have agreed to sell to Buyer substantially all of the assets used in the operation of the Station;

WHEREAS, the execution and delivery of this Agreement by the Restricted Parties is a condition to Buyer’s obligation to purchase substantially all of the assets of the Station; and

WHEREAS, capitalized terms not otherwise defined herein shall have the respective meanings ascribed to them in the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the promises contained herein and intending legally to be bound, the parties agree as follows:

### **ARTICLE 1**

#### **NON-COMPETITION COVENANTS**

**Section 1.1 Covenant Not to Compete.** Each Restricted Party agrees that for the Restricted Period, neither such Restricted Party nor any of its Affiliates will, directly or indirectly, whether as principal, agent, consultant, stockholder or investor, alone or in association with any Person:

(a) manage, operate, finance, participate in, enter into, engage in, assist or own any interest in, assign or license its name to, or otherwise allow its name to be used by, or be employed by any business or Person that engages in the Restricted Business within the Restricted Area; or

(b) employ or solicit for employment (including as an independent contractor) any employee of Buyer on or following the Closing Date (each a “**Retained Employee**”); provided, that the Restricted Parties may employ or solicit (i) any Retained Employee who is terminated by Buyer or (ii) any Retained Employee whose employment with Buyer otherwise ceases, provided that in the case of clause (ii), the Restricted Parties may not employ or solicit any such Retained Employee until after the six-month anniversary of the date of such Retained Employee’s separation from Buyer.

As used herein, the term “**Restricted Period**” means in respect of each Restricted Party, the period from the date of this Agreement until the second anniversary from the date of this Agreement.

As used herein, the term “**Restricted Business**” means (i) the Spanish-language or Hispanic themed television broadcast media business or (ii) broadcasting television programming in the Spanish language or that is Hispanic-themed; provided, however, that Permitted Activities (as defined below) shall not constitute a Restricted Business.

As used herein, the term “**Restricted Area**” means the Philadelphia Designated Market Area as defined by Nielsen Media Research.

As used herein, the term “**Permitted Activities**” means (i) the ownership and operation of the *holaciudad!* website in a manner generally consistent with the operation of such website prior to the date of the Purchase Agreement and (ii) the production and syndication (but not the direct broadcast) of English-language, Hispanic-themed programming that (a) is designed to air as a one-time production and not as a part of a regular series and (b) in aggregate, is broadcast for no more than 2 hours in the Restricted Area during any single week of the Restricted Period.

**Section 1.2    Public Securities.** Notwithstanding anything herein to the contrary, nothing contained in this Agreement shall prevent any Restricted Party, or any Affiliate of any Restricted Party, from owning up to a five percent (5%) interest in any Person the securities of which are publicly traded.

## ARTICLE 2

### SPECIFIC PERFORMANCE AND SEVERABILITY

**Section 2.1    Reasonableness of Covenants; Specific Performance.** Each Restricted Party agrees that its covenants set forth in Article 1 (each a “**Non-Competition Covenant**” and collectively the “**Non-Competition Covenants**”) are appropriate and reasonable when considered in light of the nature and extent of the transactions contemplated by the Purchase Agreement. Without limiting the generality of the foregoing, each Restricted Party specifically agrees that prohibitions on the employment or solicitation for employment (including as an independent contractor) of any Retained Employee, as set forth in Section 1.1(b), are appropriate and reasonable in all respects. Each Restricted Party further agrees that the Non-Competition Covenants are of the essence of this Agreement and the Purchase Agreement; that each such Non-Competition Covenant is reasonable and necessary to protect and preserve the interests and properties of Buyer; that irreparable loss and damage will be suffered by Buyer should any Restricted Party breach any such Non-Competition Covenant; that Buyer will not have any adequate remedy at law if a Restricted Party violates the terms hereof or fails to perform any of its obligations hereunder; that, in addition to other remedies available to it, Buyer shall be entitled to both temporary and permanent injunctions to prevent a breach or contemplated breach by any Restricted Party of any Non-Competition Covenant; and that

each Restricted Party hereby waives any requirements for the posting of a bond or any other security by Buyer in connection therewith.

**Section 2.2 Severability.** Buyer and each Restricted Party agree that each Non-Competition Covenant is separate, distinct and severable not only from any other such covenant but also from the other and remaining provisions of this Agreement and the Purchase Agreement. If any of the provisions of or covenants contained in this Agreement are hereafter construed to be invalid or unenforceable in any jurisdiction, the same shall not affect the remainder of the provisions or the enforceability thereof in any other jurisdiction, which shall be given full effect, without regard to the invalid portions or the unenforceability in such other jurisdiction. If any of the provisions of or covenants contained in this Agreement are held to be unenforceable in any jurisdiction because of the duration and/or scope (whether geographic or otherwise) thereof, the parties agree that such provision shall be deemed to be reduced to the maximum duration and/or scope permitted in said jurisdiction, provided, however, that such reduction shall not affect the enforceability of this Agreement in any other jurisdiction.

## ARTICLE 3

### MISCELLANEOUS

**Section 3.1 Amendments; Entire Agreement.** This Agreement shall not be amended except by written instrument executed by or on behalf of each of the Restricted Parties and Buyer. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter addressed herein, and there are no understandings (written or oral) or agreements, conditions or qualifications relative to this Agreement that are not fully reflected in this Agreement.

**Section 3.2 Successors and Assignment.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided, however, that no party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other parties hereto, except that Buyer may transfer or assign their rights hereunder, in whole, or from time to time in part, to one or more of its Affiliates.

**Section 3.3 Counterparts.** This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

**Section 3.4 Captions.** The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

**Section 3.5 Controlling Law.** This Agreement and all questions relating to its validity, interpretation, performance and enforcement (including, without limitations, provisions concerning the limitations of actions), shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania regardless of any conflict of law principles, and without the aid of any canon, custom or rule of law requiring construction against the draftsman.

**Section 3.6 Jurisdiction.** Except as otherwise expressly provided in this Agreement, the parties hereto agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement may be brought in the United States District Court for the Eastern District of Pennsylvania or any other Pennsylvania Commonwealth court sitting in the City of Philadelphia, and each of the parties hereby consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding that is brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 12.1 of the Purchase Agreement shall be deemed effective service of process of such party.

**Section 3.7 Legal Fees; Costs.** If any party hereto institutes any action or proceeding to enforce any provision of this Agreement, the prevailing party therein shall be entitled to receive from the losing party reasonable attorneys' fees and costs incurred in such action or proceeding, whether or not such action or proceeding is prosecuted to judgment.

**Section 3.8 Failure or Indulgence Not Waiver; Remedies Cumulative.** No failure or delay on the part of any party hereto in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of any representation, warranty or agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right. All rights and remedies existing under this Agreement are cumulative to, and not exclusive of, any rights or remedies otherwise available.

**Section 3.9 Representations of the Entities.** Each Restricted Party that is not an Individual jointly and severally represents and warrants to Buyer as follows: (a) such Restricted Party is a corporation, validly existing and in good standing under the laws of its respective jurisdiction of incorporation and has all corporate powers and all governmental licenses, authorizations, permits, consents and approvals required to carry on its business as now conducted in all material respects; (b) such Restricted Party has full corporate power to execute and deliver this Agreement and to perform its obligations hereunder, and the execution, delivery and performance hereof and the consummation of the transactions contemplated hereby have been duly authorized by all corporate actions; (c) the execution, delivery and performance by such Restricted Party of this Agreement and the consummation of the transactions contemplated hereby do not and will not (i) violate the organizational documents of such Restricted Party, (ii) violate any applicable law, rule, regulation, judgment, injunction, order or decree, or require any action by or filing by the Restricted Party with any Governmental Authority, (iii) constitute a default under or give rise to any right of termination, cancellation or acceleration of any right or obligation of such Restricted Party or to a loss of any benefit to which such Restricted Party is entitled under any provision of any agreement or other instrument binding upon such Restricted Party; and (d) this Agreement has been duly executed and delivered by such Restricted Party and constitutes a valid and binding obligation of

such Restricted Party enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors rights generally and general principles of equity.

**Section 3.10 Representations of Individuals.** Each Individual represents and warrants to Buyer as follows: (a) such Individual has the full and unrestricted legal power, capacity and right to enter into, execute and deliver this Agreement without the consent or approval of any other person. If this Agreement is being executed in a representative or fiduciary capacity, the person signing this Agreement has the full power and authority to do so on behalf of such Individual; (b) the execution, delivery and performance by Individual of this Agreement and the consummation of the transactions contemplated hereby do not and will not violate any applicable law, rule, regulation, judgment, injunction, order or decree, or require any action by or filing by such Individual with any Governmental Authority; and (c) this Agreement has been duly executed and delivered by Individual and constitutes a valid and binding obligation of such Individual enforceable in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws affecting creditors rights generally and general principles of equity.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement or caused this Agreement to be executed and delivered by their duly authorized partners or officers as of the date first above written.

**BUYER:**

TELEMUNDO MID-ATLANTIC LLC

By: \_\_\_\_\_  
Name:  
Title:

NBC TELEMUNDO LICENSE LLC

By: \_\_\_\_\_  
Name:  
Title:

**RESTRICTED PARTIES:**

ZGS PHILADELPHIA, INC.

By: \_\_\_\_\_  
Name:  
Title:

ZGS COMMUNICATIONS, INC.

By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Ronald Gordon

\_\_\_\_\_  
Eduardo Zavala