

EXHIBIT E

SETTLEMENT AGREEMENT AND RELEASES OF ALL CLAIMS

This Settlement Agreement and Releases of All Claims (the “Agreement”) is made and entered into this ____ day of _____, 2004, by and among the following persons and entities (individually, a “Party” and collectively, the “Parties”):

1. Z-SPANISH MEDIA CORPORATION, a Delaware corporation, and ENTRAVISION COMMUNICATIONS CORPORATION, a Delaware corporation (“Entravision”), collectively referred to as (“Entravision”);
2. SYNDICATED COMMUNICATIONS VENTURE PARTNERS, II, L.P., a Delaware limited partnership; SYNDICATED COMMUNICATIONS VENTURE PARTNERS, III, L.P., a Delaware limited partnership; ALLIANCE ENTERPRISE CORPORATION, a Delaware corporation; CONNECTICUT GREENE VENTURES, L.P., a Connecticut limited partnership; OPPORTUNITY CAPITAL PARTNERS, II, L.P., a Delaware limited partnership; OPPORTUNITY CAPITAL PARTNERS III, L.P., a Delaware limited partnership; and OPPORTUNITY CAPITAL CORPORATION, a California corporation; all of whom are hereinafter collectively referred to as “Secured Creditors”;
3. The Beverly Group, Inc., as Receiver (the “Receiver”) for the Receivership Estate of DIAMOND RADIO, INC., a California corporation (“Diamond Radio”); and
4. PAULA L. NELSON, individually and as shareholder of Diamond Radio (hereinafter the “Shareholder”).

RECITALS

WHEREAS, (i) Z-Spanish Radio Network, Inc., a California corporation (“ZSPN”) (now dissolved and succeeded in interest by Entravision) (ii) KZSA Broadcasting, Inc., a California corporation (“KZSA”) (now dissolved and succeeded in interest by Entravision), (iii) Diamond Radio, and (iv) Syndicated Communications Venture Partners II, L.P., a Delaware limited partnership, Syndicated Communications Venture Partners III, L.P., a Delaware limited partnership, Alliance Enterprise Corp., a Delaware corporation, Connecticut Greene Ventures, L.P., a Connecticut limited partnership, Opportunity Capital Corporation, a California corporation, Opportunity Capital Partners II, L.P., a Delaware limited partnership, and Opportunity Capital Partners III, L.P., a Delaware limited partnership (hereinafter collectively referred to as “Secured Creditors”), are parties to that certain stipulated and judicially supervised

Settlement dated November 17, 2000 (the “Settlement”), whereby (i) the parties agreed to settle and resolve all claims between the parties arising out of the actions captioned *Z-Spanish, et al. versus Diamond Radio, Sacramento Superior Court case number 00AS01073 (the “Z-Spanish Case”), Diamond Radio, Inc. versus Syndicated Communication Venture Partners et al., Sacramento Superior Court case number 99AS06832, and certain Montgomery County, Maryland Circuit Court civil actions Syndicated Communications Venture Partners III, L.P., et al., v. Nelson, No. 232006-V; Syndicated Communications Venture Partners III, L.P., et al., v. Diamond Radio, Inc. and Fahlda L. Nelson, No. 251161-V; and Syndicated Communications Venture Partners III, L.P., et al. v. Diamond Radio, 210070-V and Diamond Radio, Inc. v. Syndicated Communications Venture Partners, et al., No 1760 (Oct. 23, 2001) (Eyler, J.)(the confessed judgments)* (the “Maryland Civil Court Actions,” together with Z-Spanish Case collectively referred to as the “Diamond Litigation”); (b) ZSPN and KZSA agreed to purchase from Diamond Radio, and Diamond Radio agreed to sell to ZSPN and KZSA, all of the outstanding shares of Common Stock of Diamond Radio in consideration for the payment of a total purchase price of Sixteen Million Dollars (\$16,000,000) (the “Sale”); (c) from the proceeds of such Sale, the Secured Creditors have agreed to receive the sum of Ten Million Five Hundred Thousand Dollars (\$10,500,000) at the time of the Closing (as defined below) in full satisfaction of all of Secured Creditors’ claims of indebtedness, equity rights, warrant rights, stock rights and any other claims that they may have against Diamond Radio and/or Nelson arising out of the Maryland Civil Court Actions (collectively, the “Secured Creditors Claims”); and (d) from the proceeds of the Sale, Nelson agreed to receive the sum of Five Million Five Hundred Thousand Dollars (\$5,500,000) minus a hold-back sum of One Million Dollars (\$1,000,000) to be held in escrow with the Escrow Agent as defined in Section 2.2(a) below, for a period of twelve (12) months for the benefit of Entravision pursuant to the terms of a certain settlement agreement of the parties and reduced to a court record on November 17, 2000;

WHEREAS, on October 30, 2003, the Superior Court of the State of California for the County of Sacramento (the “Superior Court”), issued an order entering the Settlement as a judgment pursuant to California Code of Civil Procedure § 664.6 and directing the enforcement of such judgment (the “Court Order”) and appointing the Beverly Group, Inc. as a receiver (the “OAR”) for Diamond Radio, who caused the change in control and possession of Diamond Radio on December 2, 2003;

WHEREAS, the OAR states that “the Receiver shall have the power, and is ordered to, negotiate the terms of the Stock Purchase Agreement for the sale of Diamond Radio stock to Z-Spanish, to effectuate the sale and transfer of stock, and the distribution of the total sale price of \$ 16 million, \$ 10.5 million of which goes to the Secured Creditors and \$ 5.5 million of which goes to Paula Nelson. Where the parties cannot reach agreement on specific terms of the Stock Purchase Agreement, the Receiver shall determine what terms are “customary in the industry” and those terms shall apply in the Stock Purchase Agreement. The Receiver shall have the power to, and is ordered to complete the sale and to execute any and all documentation necessary to effectuate the transaction and transfer the stock as required under the Settlement Agreement. To the extent that Paula Nelson or Diamond Radio, Inc. refuse to execute any and all documents necessary for the facilitation or consummation of the Stock Purchase Agreement, the

Receiver is hereby vested with full authority to execute any and all documents on behalf of Diamond Radio, Inc. and/or Paula Nelson to facilitate and/or consummate the Stock Purchase Agreement and transfer of Diamond Radio, Inc to Z-Spanish.”

WHEREAS, Diamond Radio timely filed an appeal of the Court Order with the Court of Appeals (the “Appeal”), which will be dismissed pursuant to the terms of this Agreement;

WHEREAS, on February 19, 2004, all the parties to the Settlement desired to settle all claims and disputes among the parties reached a new agreement providing further and new consideration for the performance of the Settlement and dismissal of the Appeal (the “New Settlement”). The New Settlement modifies certain terms of the Settlement, providing among other terms, the following: (i) Shareholder will receive an additional payment of Two Hundred Thousand Dollars (\$200,000), which is to be paid one half by Entravision and one half by the Secured Creditors; (ii) the hold-back amount in the Settlement will be reduced from One Million Dollars (\$1,000,000) to Three Hundred Seventy Five Thousand Dollars (\$375,000); (iii) Diamond Radio shall dismiss the Appeal with prejudice; (iv) Except as otherwise ordered by the Superior Court, Diamond Radio, Entravision and the Secured Creditors agree that the Receiver’s fees and expenses, including attorneys’ fees as approved and apportioned by the Superior Court will be paid for out of the Station’s cash flow, and to the extent insufficient funds exist from those operations through the Closing Date, Shareholder, Entravision and the Secured Creditors will each share 1/3 of those fees and expenses and deposited into an escrow account on the Closing Date;

WHEREAS, on April 27, 2004, all the parties to the Settlement attended a Settlement Conference and agreed to resolve any outstanding open matters as contemplated in this Agreement;

WHEREAS, Entravision and Shareholder have entered into that certain Stock Purchase Agreement dated June 9, 2004, a copy of which is attached hereto as Exhibit “A” (the “Purchase Agreement”). The Purchase Agreement states as one of the conditions precedent to the Closing of the transactions contemplated thereby, that all the Parties hereto shall enter into this Agreement to terminate the Diamond Litigation (as defined in the Purchase Agreement). Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Purchase Agreement.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual representations, covenants and releases set forth herein, the Parties agree as follows:

1. **Purchase and Sale of Diamond Radio.**

1.1 **Purchase of Station by Entravision.** Entravision shall purchase from Shareholder, and Shareholder shall sell to Entravision all of Shareholder’s right, title and interest in and to the outstanding shares of stock of Diamond Radio (the “Shares”), free

and clear of any Encumbrances and subject to the terms and conditions set forth in the Purchase Agreement.

1.2 **Allocation of Purchase Price Between Secured Creditors and Shareholder.** Section 2.2 of the Purchase Agreement provides that in consideration for the sale of the Shares by the Shareholder, Entravision shall pay the aggregate amount of Sixteen Million One Hundred Thousand Dollars (\$16,100,000) (the “Consideration”), payable as follows:

a. Five Million Six Hundred Thousand Dollars (\$5,600,000) to be paid to Shareholder at the Closing for the Shares (the “Shareholder Proceeds”). Of the Shareholder Proceeds, the amount of Three Hundred Seventy Five Thousand Dollars (\$375,000) shall be held in escrow for twelve (12) months from the Closing (the “Hold-Back Amount”) by the escrow agent designated by the parties hereto (the “Escrow Agent”), pursuant to the terms and conditions of that certain Indemnity Escrow Agreement to be executed by Shareholder in favor of Entravision substantially in the form attached as Exhibit B to the Purchase Agreement. The Shareholder Proceeds and the Hold-Back Amount will be made by wire transfer of immediately available United States funds at Closing to the accounts specified by Shareholder and the Escrow Agent, respectively, pursuant to wire transfer instructions to be provided to Entravision at least five (5) business days prior to the Closing.

b. Ten Million Five Hundred Thousand Dollars (\$10,500,000) plus an additional One Million Two Hundred Fifty Thousand Dollars (\$1,250,000) to be paid to the Secured Creditors at Closing as provided in the Purchase Agreement. The total amount of Eleven Million Seven Hundred Fifty Thousand Dollars (\$11,750,000) payable to the Secured Creditors will be referred to as the “Pay Off Amount.”

At Closing, the Secured Creditors shall pay to Seller the amount of One Hundred Thousand Dollars (\$100,000) in immediately available Federal funds. Said funds are in addition to the release to Shareholder One Hundred Thousand Dollars (\$100,000) in two distributions. Within three (3) days of execution of the Purchase Agreement by Secured Creditors and Shareholder, Fifty Thousand Dollars (\$50,000.00) of the funds deposited in an escrow account established at the time of the original financing between the Shareholder and the Secured Creditors shall be released to the Shareholder and the remaining Fifty Thousand Dollars (\$50,000.00) shall be released at the Closing. The balance deposited in such escrow account and any interest earned on such balance shall be released to Secured Creditors at the Closing for a total distribution to the Shareholder of two Hundred Thousand Dollars (\$200,000). Shareholder, Diamond Radio and Receiver shall execute and deliver any instructions required by the escrow agent holding such escrow in order to effect the releases contemplated by this paragraph.

2 **Releases of All Claims.**

2.1 **Releases of All Claims by Secured Creditors.** Excepting only the obligations imposed by this Agreement and any other agreement to carry out the Settlement or the Sale, Secured Creditors do hereby fully, finally and forever release and discharge Entravision and Entravision's affiliates, attorneys, current and former officers, current and former directors, agents, employees, representatives, alter egos, spouses, shareholders, partners, joint venturers, heirs, executors, administrators, affiliates, parent corporations, subsidiaries, divisions, legal predecessors, successors, assigns, and their respective insurers, sureties, and underwriters (collectively the "Entravision Released Parties"), Diamond Radio and Shareholder of and from all claims, demands, causes of action, obligations, debts, damages, losses, controversies and liabilities of any kind or nature, whatsoever or at all, which in any way related to or arise from any of the matters, documents or transactions referenced in the Diamond Radio Litigation or any of them, the Secured Creditors loan to Diamond Radio (the "Loan"), the Station and the Assets, equity and the Shares.

2.2 **Releases of All Claims by Diamond Radio and Shareholder.** Excepting only the obligations imposed by this Agreement and any other agreement to carry out the Settlement or the Sale, Diamond Radio and Shareholder do hereby fully, finally and forever release and discharge Secured Creditors, affiliates, attorneys, current and former officers, current and former directors, agents, employees, representatives, alter egos, spouses, shareholders, partners, joint venturers, heirs, executors, administrators, affiliates, parent corporations, subsidiaries, divisions, legal predecessors, successors, assigns, and their respective insurers, sureties, and underwriters (collectively, the "Secured Creditors Released Parties"), Entravision and the Entravision Released Parties (as defined in Section 2.1 above) of and from all claims, demands, causes of action, obligations, debts, damages, losses, controversies and liabilities of any kind or nature, whatsoever or at all, which in any way relate to or arise from any of the matters, documents or transactions referenced in the Diamond Radio Litigation, or any of them, the Loan and the Station.

2.3 **Release of Claims by Entravision.** Excepting only the obligations imposed by this Agreement and any other agreement to carry out the Settlement or the Sale, Entravision does hereby fully, finally and forever release and discharge Secured Creditors and the Secured Creditors Released Parties, Diamond Radio and Shareholder of and from all claims, demands, causes of action, obligations, debts, damages, losses, controversies and liabilities of any kind or nature, whatsoever or at all, which in any way relate to or arise from any of the matters, documents or transactions referenced in the Diamond Litigation, or any of them, the Loan or the Station.

2.4 **Civil Code Section 1542 Waiver.** It is the intention of the Parties that the foregoing releases shall be effective and shall apply to any and all claims above specified, whether known or unknown, suspected or unsuspected, and in furtherance of such intention, the Parties expressly waive any and all rights and benefits conferred upon them by section 1542 of the California Civil Code, and other similar provisions of applicable law, which section 1542 reads as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing their release, which if known by him must have materially affected his settlement with the debtor.”

3. **Termination of the Actions.** Upon the Closing and the payment of the Purchase Price and the Settlement Amount as set forth in Section 1 above, the Parties shall terminate the Diamond Litigation, filing dismissals with prejudices with the appropriate courts.

4. **Termination of Contracts.** The Parties further agree that except for the obligations set forth in this Agreement or any other agreement to carry out the Settlement or the Sale, upon completion of the Closing and the Sale, all agreements between the Parties shall be deemed to have been fully and finally terminated and all rights, claims and obligations thereunder extinguished.

5. **Releases and Other Covenants Conditioned Upon Completion of Sale and Payments.** The Parties agree that the effectiveness of the releases of all claims and the obligations to perform all other covenants and duties set forth herein are expressly conditioned upon and made subject to the Closing as contemplated in the Purchase Agreement.

6. **Representations and Warranties.**

6.1 Each Party represents and warrants to each other Party that:

It has received independent legal advice from its legal counsel with respect to the effects and consequences of the Settlement and of this Agreement and as to the advisability of entering into the Settlement and executing this Agreement;

Except for the representations contained in this Agreement, neither it nor its attorneys have made any statement or representation regarding any fact that may be relied upon by any other Party or any other Party's attorneys in executing this Agreement, or in making the Settlement;

Except for the representations contained in this Agreement, neither it nor its attorneys have relied upon any statement, representation or promise of any other Party or any other Party's attorneys in executing this Agreement, or in making the Settlement.

It has entered into the Settlement and has executed this Agreement freely and voluntarily, and that the persons making the Settlement and executing this Agreement on its behalf have the requisite power and authority to do so.

It has not previously assigned or transferred, or purported to assign or transfer, to any other person or entity any claims or rights released in this Agreement. Each Party shall indemnify and hold harmless the others from and against any claims based upon, or arising from any such assignment or transfer or any claims released herein.

6.2 Secured Creditors and Entravision represent as of the date of the Settlement and the Sale, Secured Creditors do not have any agreement with Entravision, or any of its affiliates, successors or assigns, oral or written, to acquire any type of interest in the FCC license to own and operate the station.

7. **Attorneys' Fees.** Each Party shall bear its own costs and attorneys' fees incurred in connection with its prosecution or defense of the Actions, or any of them, and in connection with the negotiation, drafting and execution of the Agreement or any other agreement to carry out the Settlement or the Sale. However, in the event of any litigation, arbitration or other proceeding by which any Party seeks to enforce its rights under the Settlement and/or this Agreement, whether in contract, tort or both, or seeks judicial declaration as to any Party's rights or duties under the Settlement or this Agreement, or seeks judicial interpretation of any provision of the Settlement or this Agreement, the prevailing Party shall be awarded reasonable attorneys' fees, together with all legally recoverable costs and expenses, including expert witness fees.

8. **No Admission of Liability.** The execution and/or performance of this Settlement and this Agreement shall not under any circumstances constitute any admission by any Party of any liability whatsoever to any other Party or to any other person. Each Party expressly disputes and denies any and all liability to any other Party or person and enters into this Settlement and this Agreement solely for the purpose of settling disputed claims and buying their peace.

9. **Further Necessary Acts and Documents.** The Parties shall execute and deliver such further documents and instruments and shall take such other actions as may be reasonably necessary to evidence or carry out the intent and/or purposes of the Settlement and/or this Agreement including, but not limited to execution of additional documents or agreements required to complete the Sale and the execution and delivery of such written applications and consents as may be reasonably necessary to obtain governmental approval of the Sale. Each Party agrees to cooperate and assist with the carrying out of the Sale. No Party shall do anything to directly or indirectly prevent, hinder or interfere with the Sale nor will any Party directly or indirectly cause or encourage any other person to prevent, oppose or hinder the Sale or governmental approval of any aspect of the Sale.

10. **General Provisions.**

10.1 **Agreement Includes Recitals.** Each term of this Agreement is contractual, not merely a recital. All recitals are incorporated by reference into this Agreement.

10.2 **Agreement Binding on Parties' Agents, Employees, etc.** This Agreement and the releases of the claims contained herein shall inure to the benefit of, and shall be binding upon, the agents, employees, stockholders, partners, Secured Creditors, representatives, officers, directors, successors, subsidiaries, parents, predecessors, heirs and assigns of each Party.

10.3 **Entire Agreement.** This Agreement and all other agreements referred to in the Purchase Agreement to carry out the Sale, constitute the final, complete, and exclusive statement of the terms of the agreement between the Parties hereto and supersede all prior and contemporaneous understandings or agreements of the Parties as to the Settlement and the Sale. No Party has been induced to enter into this Agreement or any other agreement referred to herein to carry out the Settlement or the Sale by any representation or warranty outside those expressly set forth in this Agreement, or any other agreement referred to herein to carry out the Settlement or the Sale nor has any Party relied upon any representations or warranties outside those expressly set forth in those agreements.

10.4 **Governing Law.** This Agreement shall be construed and enforced in accordance with California law in effect as to the effective date of this Agreement, except that any rule of construction to the effect that ambiguities are to be resolved against the drafting Parties shall not apply in interpreting this Agreement.

10.5 **Jurisdiction; Service of Process.** Any Proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement must be brought against any of the parties in the Superior Court of the State of California for the County of Sacramento, and each of the parties consents to the jurisdiction of such court (and of the appropriate appellate courts) in any such Proceeding and waives any objection to venue laid therein. Process in any Proceeding referred to in the preceding sentence may be served on any party anywhere in the world.

10.6 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which together shall be deemed to be one instrument.

10.7 **Counterparts.** This Agreement may be executed in one or more counterparts, all of which together shall be deemed to be one instrument.

10.8 **Enforceability.** In the event that any provision of this Agreement shall be held to be illegal, invalid or unenforceable under present or future laws effective during the time of performance of this Agreement, the legality, validity and enforceability of the remaining parts of this Agreement shall not be affected, and such remaining portions shall be liberally construed to effectuate the intent of the Parties expressed in this Agreement.

10.9 **Waiver.** No waiver of any portion of this Agreement shall be effective unless made in writing. No waiver of any breach of any provision of the Agreement shall constitute a waiver of any subsequent breach of the same or any other provision of this Agreement.

10.10 **Effective Date.** This Agreement shall become effective as of the date first written above upon execution by all Parties.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties hereto have executed this Settlement Agreement and Releases of All Claims.

“Entravision “

**ENTRAVISION COMMUNICATIONS
CORPORATION,**
a Delaware corporation

By: _____
Walter F. Ulloa, Chairman and CEO

Z-SPANISH MEDIA CORPORATION,
a Delaware corporation

By: _____
Walter F. Ulloa, Chairman and CEO

“Shareholder”

PAULA L. NELSON

[Signature Page to Settlement Agreement and Release of All Claims]

“Diamond Radio”

DIAMOND RADIO, INC.
a California Corporation,

By: _____
Print Name: _____
Its: _____

**SYNDICATED COMMUNICATIONS VENTURE
PARTNERS II, L.P.**

By Wilkins & Jones, L.P. a Delaware limited partnership,
its General Partner

By: _____
Name: Duane C. McKnight
Title: General Partner

**SYNDICATED COMMUNICATIONS VENTURE
PARTNERS III, L.P.**

By WJM Partners III, L.P. a Delaware limited partnership,
its General Partner,

By: _____
Name: Duane C. McKnight
Title: General Partner

ALLIANCE ENTERPRISE CORPORATION

By: _____
Name: _____
Title: _____

[Signature Page to Settlement Agreement and Release of All Claims]

CONNECTICUT-GREENE VENTURES, L.P.

By: _____
Name: _____
Title: _____

OPPORTUNITY CAPITAL PARTNERS II, L.P.

By: _____
Name: J. Peter Thompson
Title: General Partner

OPPORTUNITY CAPITAL CORPORATION

By: _____
Name: J. Peter Thompson
Title: General Partner

By WJM Partners III, L.P. a Delaware limited partnership,
its General Partner,

By: _____
Name: Duane C. McKnight
Title: General Partner

ALLIANCE ENTERPRISE CORPORATION

By: _____
Name: _____
Title: _____

CONNECTICUT-GREENE VENTURES, L.P.

By: _____
Name: _____
Title: _____

OPPORTUNITY CAPITAL PARTNERS II, L.P.

By: _____
Name: _____
Title: _____

OPPORTUNITY CAPITAL CORPORATION

By: _____
Name: J. Peter Thompson
Title: General Partner

**SYNDICATED COMMUNICATIONS VENTURE
PARTNERS III, L.P.**

By WJM Partners III, L.P. a Delaware limited partnership,
its General Partner

By: _____
Name: Duane C. McKnight
Title: General Partner

ALLIANCE ENTERPRISE CORPORATION

By: _____
Name: _____
Title: _____

CONNECTICUT-GREENE VENTURES, L.P.

By: _____
Name: _____
Title: _____

OPPORTUNITY CAPITAL PARTNERS II, L.P.

By: _____
Name: J. Peter Thompson
Title: General Partner

[Signature Page to Settlement Agreement and Release of All Claims]

OPPORTUNITY CAPITAL CORPORATION

By: _____

Name: J. Peter Thompson

Title: General Partner

[Signature Page to Settlement Agreement and Release of All Claims]