

From: [Andy Kersting](#)
To: [Annette Smith](#)
Cc: [Michael Wagner](#)
Subject: WABC(AM), New York, NY (Facility ID 70658) (File No. BAL-20190701AAJ)
Date: Friday, August 23, 2019 10:17:20 AM

Hi Annette,

The purpose of this email is to provide the information you requested regarding NY Radio Assets, LLC ("NY Radio") and the parties' Transition Services Agreement.

NY Radio is an indirect, wholly-owned subsidiary of Cumulus Media Inc. ("Cumulus," our ultimate parent entity) which holds the hard assets used in the operation of station WABC. NY Radio serves as an operating company for Cumulus, but is not in the direct ownership chain of any licensee such that it would be required to be reported in an ownership report.

With respect to the parties' Transition Services Agreement, the Base Fee amount under the Agreement is \$25,000 per month. See Agreement, Exhibit A at 4. Red Apple Media Group, LLC ("Red Apple") (signatory to the Agreement) also will be responsible for any pass-through costs related to Assumed Contracts to the extent those agreements are not assumed as of the Closing Date or any services/costs incurred by NY Radio as a result of the services provided by NY Radio, with such costs to be reimbursed on a monthly basis. The pass-through costs were designed as a mechanism to enable NY Radio to pay a vendor on Red Apple's behalf in the event it should become necessary during the term of the Agreement. Our business personnel have advised that it is difficult to estimate with any certainty what the pass-through costs may be, but we believe those costs will not be more than \$20,000, and are likely to be much less, if any. Moreover, as stated above, the pass-through costs will be in the form of reimbursement, rather than a fee, and will not relate either to sales or programming of the station. For example, if NY Radio were required to pay a payroll vendor, those costs would then be passed through under the Agreement to Red Apple.

Andy

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