UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2021

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 (NO FEE REQUIRED)**

For the transition period from to

Commission File No. 0-25969

URBAN ONE, INC.
(Exact name of registrant as specified in its charter)

Delaware	52-1166660
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

1010 Wayne Avenue,
14th Floor
Silver Spring, Maryland 20910
(Address of principal executive offices)

Registrant's telephone number, including area code
(301) 429-3200

Securities registered pursuant to Section 12(b) of the Act:
None

Securities registered pursuant to Section 12(g) of the Act:

Title of each class:	Trading Symbol(s)	Name of each exchange on which registered:
Class A Common Stock, $0.001 Par Value	UONE	NASDAQ Stock Market
Class D Common Stock, $0.001 Par Value	UONEK	NASDAQ Stock Market

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes ☐ No ☒

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐
Smaller reporting company ☒ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes ☐ No ☒

The number of shares outstanding of each of the issuer's classes of common stock is as follows:

Class	Outstanding at March 4, 2022
Class A Common Stock, $.001 par value	9,104,916
Class B Common Stock, $.001 par value	2,861,843
Class C Common Stock, $.001 par value	2,045,016
Class D Common Stock, $.001 par value	37,328,975

The aggregate market value of common stock held by non-affiliates of the Registrant, based upon the closing price of the Registrant's Class A and Class D common stock on June 30, 2021, was approximately $152.0 million.

URBAN ONE, INC. AND SUBSIDIARIES

Form 10-K
For the Year Ended December 31, 2021

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CERTAIN DEFINITIONS

Unless otherwise noted, throughout this report, the terms “Urban One,” “the Company,” “we,” “our,” and “us” refer to Urban One, Inc. together with all of its subsidiaries.

We use the terms “local marketing agreement” (“LMA”) or time brokerage agreement (“TBA”) in various places in this report. An LMA or a TBA is an agreement under which a Federal Communications Commission (“FCC”) licensee of a radio station makes available, for a fee, air time on its station to another party. The other party provides programming to be broadcast during the airtime and collects revenues from advertising it sells for broadcast during that programming. In addition to entering into LMAs or TBAs, we will, from time to time, enter into management or consulting agreements that provide us with the ability, as contractually specified, to assist current owners in the management of radio station assets that we have contracted to purchase, subject to FCC approval. In such arrangements, we generally receive a contractually specified management fee or consulting fee in exchange for the services provided.

The term “broadcast and digital operating income” is used throughout this report. Net income (loss) before depreciation and amortization, income taxes, interest expense, interest income, noncontrolling interests in income of subsidiaries, other (income) expense, corporate selling, general and administrative, expenses, stock-based compensation, impairment of long-lived assets, (gain) loss on retirement of debt and gain on sale-leaseback, is commonly referred to in the radio broadcasting industry as “station operating income.” However, given the diverse nature of our business, station operating income is not truly reflective of our multi-media operation and, therefore, we now use the term broadcast and digital operating income. Broadcast and digital operating income is not a measure of financial performance under accounting principles generally accepted in the United States (“GAAP”). Nevertheless, broadcast and digital operating income is a significant basis used by our management to evaluate the operating performance of our core operating segments. Broadcast and digital operating income provides helpful information about our results of operations, apart from expenses associated with our fixed and long-lived intangible assets, income taxes, investments, impairment charges, debt financings and retirements, corporate overhead and stock-based compensation. Our measure of broadcast and digital operating income is similar to our historic use of station operating income; however, it reflects our more diverse business, and therefore, may not be similar to “station operating income” or other similarly titled measures as used by other companies. Broadcast and digital operating income does not represent operating loss or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as an alternative to those measurements as an indicator of our performance.

The term “broadcast and digital operating income margin” is also used throughout this report. Broadcast and digital operating income margin represents broadcast and digital operating income as a percentage of net revenue. Broadcast and digital operating income margin is not a measure of financial performance under GAAP. Nevertheless, we believe that broadcast and digital operating income margin is a useful measure of our performance because it provides helpful information about our profitability as a percentage of our net revenue. Broadcast and digital operating margin includes results from all four segments (radio broadcasting, Reach Media, digital and cable television).

Unless otherwise indicated:

- we obtained total radio industry revenue levels from the Radio Advertising Bureau (the “RAB”);
- we obtained audience share and ranking information from Nielsen Audio, Inc. (“Nielsen”); and
- we derived historical market statistics and market revenue share percentages from data published by Miller, Kaplan, Arase & Co., LLP (“Miller Kaplan”), a public accounting firm that specializes in serving the broadcasting industry and BIA/Kelsey (“BIA”), a media and telecommunications advisory services firm.

Cautionary Note Regarding Forward-Looking Statements

Our disclosure and analysis in this annual report on Form 10-K concerning our operations, cash flows and financial position, contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements do not relay historical facts, but rather reflect our current expectations concerning future operations, results and events. All statements other than statements of historical fact are "forward-looking statements" including any projections of earnings, revenues or other financial items; any statements of the plans, strategies and objectives of management for future operations; any statements concerning proposed new activities, services or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing. You can identify some of these forward-looking statements by our use of words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "likely," "may," "estimates" and similar expressions. You can also identify a forward-looking statement in that such statements discuss matters in a way that anticipates operations, results or events that have not already occurred but rather will or may occur in future periods. We cannot guarantee that we will achieve any forward-looking plans, intentions, results, operations or expectations. Because these statements apply to future events, they are subject to risks and uncertainties, some of which are beyond our control that could cause actual results to differ materially from those forecasted or anticipated in the forward-looking statements. These risks, uncertainties and factors include (in no particular order), but are not limited to:

- public health crises, epidemics and pandemics such as the ongoing COVID-19 pandemic and their impact on our business and the businesses of our advertisers, including disruptions and inefficiencies in the supply chain;

- economic volatility, financial market unpredictability and fluctuations in the United States and other world economies that may affect our business and financial condition, and the business and financial conditions of our advertisers, including as a result of the ongoing COVID-19 pandemic and any similar future occurrences;

- our high degree of leverage, certain cash commitments related thereto and potential inability to finance strategic transactions given fluctuations in market conditions;

- fluctuations in the local economies of the markets in which we operate (particularly our largest markets, Atlanta; Baltimore; Houston; and Washington, DC) could negatively impact our ability to meet our cash needs;

- The extent of the impact of the COVID-19 pandemic (particularly in our largest markets, Atlanta; Baltimore; Houston; and Washington, DC), including the duration, spread, severity, and the impact of any variants, the duration and scope of related government orders and restrictions, the impact on our employees, and the extent of the impact of the COVID-19 pandemic on overall demand for advertising across our various media;

- local, regional, national, and international economic conditions that have fluctuated and/or deteriorated as a result of the COVID-19 pandemic, including the risks of a global recession or a recession in one or more of our key markets, the impact that these economic conditions may have on us and our customers, and our assessment of that impact;

- risks associated with the implementation and execution of our business diversification strategy, including our strategic actions with respect to expansion into gaming;

- risks associated with our investments in gaming businesses that are managed or operated by persons not affiliated with us and over which we have little or no control;

- regulation by the Federal Communications Commission ("FCC") relative to maintaining our broadcasting licenses, enacting media ownership rules and enforcing of indecency rules;

- regulation by certain gaming commissions relative to maintaining our interests, or our creditors ability to foreclose on collateral that includes our interests in, in any gaming licenses, joint ventures or other gaming and casino investments;

- changes in our key personnel and on-air talent;

- increases in competition for and in the costs of our programming and content, including on-air talent and content production or acquisitions costs;

- financial losses that may be incurred due to impairment charges against our broadcasting licenses, goodwill, and other intangible assets;

- increased competition for advertising revenues with other radio stations, broadcast and cable television, newspapers and magazines, outdoor advertising, direct mail, internet radio, satellite radio, smart phones, tablets, and other wireless media, the internet, social media, and other forms of advertising;

- the impact of our acquisitions, dispositions and similar transactions, as well as consolidation in industries in which we and our advertisers operate;

- developments and/or changes in laws and regulations, such as the California Consumer Privacy Act or other similar federal or state regulation through legislative action and revised rules and standards;

- disruptions to our technology network including computer systems and software, whether by man-made or other disruptions of our operating systems, structures or equipment as well as natural events such as pandemic, severe weather, fires, floods and earthquakes;

- other factors mentioned in our filings with the Securities and Exchange Commission (“SEC”) including the factors discussed in detail in Item 1A, “Risk Factors,” contained in this report.

You should not place undue reliance on these forward-looking statements, which reflect our views based only on information currently available to us as of the date of this report. We undertake no obligation to publicly update or revise any forward-looking statements because of new information, future events, or otherwise.

PART I

ITEM 1. BUSINESS

Overview

Urban One, Inc. (a Delaware corporation originally formed in 1980 and hereinafter referred to as “Urban One”) and its subsidiaries (collectively, the “Company”) is an urban-oriented, multi-media company that primarily targets African-American and urban consumers. Our core business is our radio broadcasting franchise which is the largest radio broadcasting operation that primarily targets African-American and urban listeners. As of December 31, 2021, we owned and/or operated 64 independently formatted, revenue producing broadcast stations (including 54 FM or AM stations, 8 HD stations, and the 2 low power television stations we operate) located in 13 of the most populous African-American markets in the United States. While a core source of our revenue has historically been and remains the sale of local and national advertising for broadcast on our radio stations, our strategy is to operate the premier multi-media entertainment and information content platform targeting African-American and urban consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our diverse media and entertainment interests include TV One, LLC (“TV One”), which operates two cable television networks targeting African-American and urban viewers, TV One and CLEO TV; our 80.0% ownership interest in Reach Media, Inc. (“Reach Media”), which operates the Rickey Smiley Morning Show and our other syndicated programming assets, including the Get Up! Mornings with Erica Campbell Show, Russ Parr Morning Show and the DL Hughley Show; and Interactive One, LLC (“Interactive One”), our wholly owned digital platform serving the African-American community through social content, news, information, and entertainment websites, including its Cassius and Bossip, HipHopWired and MadameNoire digital platforms and brands. We also hold a minority ownership interest in MGM National Harbor Casino, a gaming resort located in Prince George’s County, Maryland. Through our national multi-media operations, we provide advertisers with a unique and powerful delivery mechanism to communicated with African-American and urban audiences.

Our core radio broadcasting franchise operates under the brand “Radio One.” We also operate other media brands, such as TV One, CLEO TV, Reach Media and Interactive One, while developing additional branding reflective of our diverse media operations and our targeting of African-American and urban audiences.

Recent Developments

Impact of Public Health Crisis

Throughout each of 2020 and 2021, the COVID-19 pandemic had an impact on certain of our revenue and alternative revenue sources. Most notably, a number of advertisers across a variety of significant advertising categories have ceased business or reduced advertising spend due to the pandemic. This has been particularly true within our radio segment which derives substantial revenue from local advertisers, including in areas such as Texas, Ohio and Georgia. The economies in these areas were hit particularly hard due to social distancing and other government interventions. Further, the COVID-19 pandemic has caused a shift in the way people work and commute, which in some instances has altered demand for our broadcast radio advertising. Finally, the COVID-19 outbreak caused the postponement or cancellation of certain of our tent pole special events or otherwise impaired or limited ticket sales for such events. We do not carry business interruption insurance to compensate us for losses that occurred as a result of the pandemic and such losses may continue to occur as a result of the ongoing and fluctuating nature of the COVID-19 pandemic. Outbreaks in the markets in which we operate could have material impacts on our liquidity, operations including potential impairment of assets, and our financial results. Likewise, our income from our investment in MGM National Harbor Casino has at times been negatively affected by closures and limitations on occupancy imposed by state and local governmental authorities.

We anticipate continued fluctuations in revenues due to ongoing nature of the COVID-19 pandemic. The extent to which our results continue to be affected by the COVID-19 pandemic will largely depend on future developments, which cannot be accurately predicted and are uncertain. These developments include, but are not limited to, the duration, scope and severity of the COVID-19 pandemic, any additional resurgences, variants or new viruses; the ability to effectively and widely manufacture and distribute vaccines/boosters; the public’s perception of the safety of the vaccines/boosters and the public’s willingness to take the vaccines/boosters; the effect of the COVID-19 pandemic on our customers and the ability of our clients to meet their payment terms; the public's willingness to attend live events; and the pace of recovery when the pandemic subsides.

Other Recent Developments

On November 6, 2020, the Company entered into a definitive asset exchange agreement with Audacy, Inc. (formerly Entercom Communications Corp.) whereby the Company would receive Charlotte stations: WLNK-FM (Adult Contemporary); WBT-AM & FM (News Talk Radio); and WFNZ-AM & 102.5 FM Translator (Sports Radio). In exchange, Urban One would transfer three radio stations to Audacy: St. Louis, WHHL-FM (Urban Contemporary); Philadelphia, WPHI-FM (Urban Contemporary); and Washington, DC, WTEM-AM (Sports); as well as the intellectual property to its St. Louis radio station, WFUN-FM (Adult Urban Contemporary). The Company and Audacy began operation of the exchanged stations on or about November 23, 2020 under LMAs until Federal Communications Commission ("FCC") approval was obtained. The deal was subject to FCC approval and other customary closing conditions and, after obtaining the approvals, closed on April 20, 2021. In addition, the Company entered into an asset purchase agreement with Gateway Creative Broadcasting, Inc. ("Gateway") for the remaining assets of our WFUN station in a separate transaction which also closed on April 20, 2021. The Company received approximately $8.0 million and exchanged approximately $8.0 million in tangible and intangible assets as part of the transaction with Gateway.

PPP Loans

On December 27, 2020, the Consolidated Appropriations Act of 2021 was signed into law. The legislation creates a second round of Paycheck Protection Program ("PPP") loans of up to $2 million available to businesses with 300 or fewer employees that have sustained a 25% revenue loss in any quarter of 2020. Certain of the new PPP provisions may benefit broadcasters such as the Company. The provisions (i) allow individual TV and radio stations to apply for PPP loans as long as the individual TV or radio station employs not more than 300 employees per physical location; (ii) permit the Small Business Administration ("SBA") to make loans up to $10 million total across TV and radio stations owned by a station group; (iii) require newly eligible individual TV and radio stations to make a good faith certification that proceeds of the loan will be used to support expenses for the production or distribution of locally-focused or emergency information; and (iv) waive any prohibition on loans to broadcast stations owned by publicly traded entities. On January 29, 2021, the Company submitted an application for participation in the PPP loan program. On June 1, 2021, the Company received proceeds of approximately $7.5 million. The loan bears interest at a fixed rate of 1% per year and will not be changed during the life of the loan. The loan matures June 1, 2026. The Company is in the process of applying for loan forgiveness. While certain of the PPP loans may be forgivable, until they are repaid or forgiven, the loan amount may constitute debt under the 2028 Notes (as defined below) and increase the Company's leverage.

2028 Notes Offering

On January 25, 2021, the Company closed on an offering (the "2028 Notes Offering") of $825 million in aggregate principal amount of senior secured notes due 2028 (the "2028 Notes") in a private offering exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). The 2028 Notes are general senior secured obligations of the Company and are guaranteed on a senior secured basis by certain of the Company's direct and indirect restricted subsidiaries. The 2028 Notes mature on February 1, 2028 and interest on the Notes accrues and is payable semi-annually in arrears on February 1 and August 1 of each year, commencing on August 1, 2021 at the rate of 7.375% per annum.

The Company used the net proceeds from the 2028 Notes Offering, together with cash on hand, to repay or redeem (1) the loans outstanding under that certain Credit Agreement, dated as of April 18, 2017, by and among the Company, various lenders party thereto, Guggenheim Securities Credit Partners, LLC, as administrative agent, and The Bank of New York Mellon, as collateral agent (the "2017 Credit Facility"); (2) our 2018 credit agreement ("2018 Credit Facility"), among the Company, the lenders party thereto from time to time, Wilmington Trust, National Association, as administrative agent, and TCG Senior Funding L.L.C., as sole lead arranger and sole book runner; (3) the 2018 credit agreement entered into by Urban One Entertainment SPV, LLC and its immediate parent, Radio One Entertainment Holdings, LLC, each of which is a wholly owned subsidiary of the Company, providing $50.0 million in term loan borrowings (the "MGM National Harbor Loan"); (4) the remaining amounts of our 7.375% Senior Secured Notes due 2022 (the "7.375% Notes"); and (5) our 8.75% Senior Secured Notes due December 2022 (the "8.75% Notes"). Upon settlement of the 2028 Notes Offering, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged.

Segments

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company's four reportable segments: (i) radio broadcasting; (ii) cable television; (iii) Reach Media; and (iv) digital.

Our Radio Station Portfolio, Strategy and Markets

As noted above, our core business is our radio broadcasting franchise which is the largest radio broadcasting operation in the country primarily targeting African-American and urban listeners. Within the markets in which we operate, we strive to build clusters of radio stations with each radio station targeting different demographic segments of the African-American population. This clustering and programming segmentation strategy allows us to achieve greater penetration within the distinct segments of our overall target market. In addition, we have been able to achieve operating efficiencies by consolidating office and studio space where possible to minimize duplicative management positions and reduce overhead expenses. Depending on market conditions, changes in ratings methodologies and economic and demographic shifts, from time to time, we may reprogram some of our stations in underperforming segments of certain markets.

As of December 31, 2021, we owned and/or operated 64 independently formatted, revenue producing broadcast stations (including 54 FM or AM stations, 8 HD stations, and the 2 low power television stations we operate but excluding translators) located in 13 of the most populous African-American markets in the United States. The following tables set forth further selected information about our portfolio of radio stations as of December 31, 2021.

	Urban One						Market Data	
Market	Number of Stations*				Entire Audience Four Book Average Audience Share(1)		Ranking by Size of African-American Population Persons 12+(2)	Estimated Fall 2021 Metro Population Persons 12+
	FM	AM	HD	LP/TV**			Total (millions)	African-American %
Atlanta	4		1		12.3	2	5.1	36
Washington, DC	4	2			10.8	3	5.1	27
Houston	3		1		9.5	6	6.1	18
Dallas	2				4.2	5	6.5	17
Philadelphia	2		2		3.5	7	4.8	21
Baltimore	2	2	1		14.9	11	2.5	30
Charlotte	6	1			18.6	12	2.4	23
Raleigh-Durham	4				16.0	18	1.7	22
Cleveland	2	2	1		11.7	20	1.8	20
Richmond(3)	4	2			18.1	23	1.1	30
Columbus	5			1	6.3	25	1.7	18
Indianapolis	3	1	1	1	12.2	30	1.6	17
Cincinnati	2	1	1		6.4	36	1.9	13
Total	43	11	8	2				

(1) Audience share data are for the 12+ demographic and derived from the Nielsen Survey ending with the Fall 2021 Nielsen Survey.

(2) Population estimates are from the Nielsen Radio Market Survey Population, Rankings and Information, Fall 2021.

(3) Richmond is the only market in which we operate using the diary methodology of audience measurement.

* 19 non-independently formatted HD stations and 12 non-independently formatted translators owned and operated by the Company are not included in the above station count. Changes in the programming of our HD stations or translators may alter our station count from time to time.

** Low power television station

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Market	Market Rank Metro Population 2021	Format	Target Demo
Atlanta	7		
WAMJ/WUMJ		Urban AC	25-54
WHTA		Urban Contemporary	18-34
WPZE		Contemporary Inspirational	25-54
WAMJ-HD-2		Urban Contemporary	25-54
Baltimore	21		
WERQ		Urban Contemporary	18-34
WOLB		News/Talk	35-64
WWIN-FM		Urban AC	25-54
WWIN-AM		Gospel	35-64
WLIF-HD-2		Contemporary Inspirational	25-54
Charlotte	23		
WPZS		Contemporary Inspirational	25-54
WOSF		Urban AC / Old School	25-54
WQNC		Urban Contemporary	18-34
WBT-AM		News Talk	25-54
WBT-FM		News Talk	25-54
WFNZ		Sports Talk	25-54
WLNK		Hot Adult Contemporary	25-54
Cincinnati	33		
WIZF		Urban Contemporary	18-34
WOSL		Urban AC / Old School	25-54
WDBZ-AM		Talk	35-64
WIZF-HD2		Hispanic	25-54
Cleveland	35		
WENZ		Urban Contemporary	18-34
WERE-AM		News/Talk	35-64
WJMO-AM		Contemporary Inspirational	35-64
WZAK		Urban AC	25-54
WENZ-HD-2		Contemporary Inspirational	35-64
Columbus	36		
WCKX		Urban Contemporary	18-34
WXMG		Urban AC	25-54
WBMO		Urban Contemporary	18-34
WJYD		Contemporary Inspirational	25-54
WWLG		Hispanic	25-54
WQMC-TV		Television	25-54
Dallas	5		
KBFB		Urban Contemporary	18-34
KZJM		Urban Contemporary	25-54

Market	Market Rank Metro Population 2021	Format	Target Demo
Houston	6		
KBXX		Urban Contemporary	18-34
KMJQ		Urban AC	25-54
KROI		Contemporary Inspirational	18-34
KMJQ-HD2		Contemporary Inspirational	25-54
Indianapolis	39		
WTLC-FM		Urban AC	25-54
WHHH		Urban Contemporary	18-34
WNOW		Pop/CHR	18-34
WTLC-AM		Contemporary Inspirational	35-64
WNOW-HD2, HD3		Regional Mexican	25-54
WDNI-TV		Television	25-54
Philadelphia	9		
WPPZ		Adult Contemporary	25-54
WRNB		Mainstream Urban	25-54
WPPZ-HD2		Contemporary Inspirational	25-54
WRNB-HD2		Urban AC	25-54
Raleigh	37		
WFXC/WFXK		Urban AC	25-54
WQOK		Urban Contemporary	18-34
WNNL		Contemporary Inspirational	25-54
Richmond (1)	53		
WKJS/WKJM		Urban AC	25-54
WCDX		Urban Contemporary	18-34
WPZZ		Contemporary Inspirational	25-54
WXGI-AM/WTPS-AM		Classic Hip Hop	25-54
Washington DC	8		
WKYS		Urban Contemporary	18-34
WMMJ/WDCJ		Urban AC	25-54
WPRS		Contemporary Inspirational	25-54
WOL-AM		News/Talk	35-64
WYCB-AM		Gospel	35-64

AC-refers to Adult Contemporary

CHR-refers to Contemporary Hit Radio

Pop-refers to Popular Music

Old School - refers to Old School Hip/Hop

(1) Richmond is the only market in which we operate using the diary methodology of audience measurement.

For the year ended December 31, 2021, approximately 31.8% of our net revenue was generated from the sale of advertising in our core radio business, excluding Reach Media. Within our core radio business, four (Houston, Washington, DC, Atlanta and Baltimore) of the 13 markets in which we operated radio stations throughout 2021 or a portion thereof accounted for approximately 53.8% of our radio station net revenue for the year ended December 31, 2021. Revenue from the operations of Reach Media, along with revenue from both the Houston and Washington, DC markets accounted for approximately 19.3% of our total consolidated net revenue for the year ended December 31, 2021. Revenue from the operations of Reach Media, along with revenue from the four significant contributing radio markets, accounted for approximately 27.5% of our total consolidated net revenue for the year ended December 31, 2021. Adverse events or conditions (economic, including government cutbacks or otherwise) could lead to declines in the contribution of Reach Media or declines in one or more of the four significant contributing radio markets, which could have a material adverse effect on our overall financial performance and results of operations.

Radio Advertising Revenue

Substantially all net revenue generated from our radio franchise is generated from the sale of local, national and network advertising. Local sales are made by the sales staff located in our markets. National sales are made primarily by Katz Communications, Inc. (“Katz”), a firm specializing in radio advertising sales on the national level. Katz is paid agency commissions on the advertising sold. Approximately 59.2% of our net revenue from our core radio business for the year ended December 31, 2021, was generated from the sale of local advertising and 36.3% from sales to national advertisers, including network/syndication advertising. The balance of net revenue from our radio segment is primarily derived from tower rental income, ticket sales, and revenue related to sponsored events, management fees and other alternative revenue.

Advertising rates charged by radio stations are based primarily on:

- a radio station’s audience share within the demographic groups targeted by the advertisers;
- the number of radio stations in the market competing for the same demographic groups; and
- the supply and demand for radio advertising time.

A radio station’s listenership is measured by the Portable People Meter™ (the “PPM™”) system or diary ratings surveys, both of which estimate the number of listeners tuned to a radio station and the time they spend listening to that radio station. Ratings are used by advertisers to evaluate whether to advertise on our radio stations, and are used by us to chart audience size, set advertising rates and adjust programming. Advertising rates are generally highest during the morning and afternoon commuting hours.

Cable Television, Reach Media and Digital Segments, Strategy and Sources of Revenue and Income

We have expanded our operations to include other media forms that are complementary to our core radio business. In a strategy similar to our radio market segmentation, we have multiple complementary media and online brands. Each of these brands focuses upon a different segment of African-American consumers. With our multiple brands, we are able to direct advertisers to specific audiences within the urban communities in which we are located or to bundle the brands for advertising sales purposes when advantageous.

TV One, our primary cable television franchise targeting the African-American and urban communities, derives its revenue from advertising and affiliate revenue. Advertising revenue is derived from the sale of television air time to advertisers and is recognized when the advertisements are run. TV One also derives revenue from affiliate fees under the terms of various affiliation agreements based upon a per subscriber fee multiplied by the most recent subscriber counts reported by the applicable affiliate. In January 2019, we launched a second cable television franchise called CLEO TV, a lifestyle and entertainment network targeting Millennial and Gen X women of color also operated by TV One, LLC. CLEO TV derives its revenue principally from advertising.

Reach Media, our syndicated radio unit, primarily derives its revenue from the sale of advertising in connection with its syndicated radio shows, including the Rickey Smiley Morning Show, Get Up! Mornings with Erica Campbell, the Russ Parr Morning Show, and the DL Hughley Show. In addition to being broadcast on 49 Urban One stations, our syndicated radio programming also was available on 209 non-Urban One stations throughout the United States as of December 31, 2021.

We have launched websites that simultaneously stream radio station content for each of our radio stations, and we derive revenue from the sale of advertisements on those websites. We generally encourage our web advertisers to run simultaneous radio campaigns and use mentions in our radio airtime to promote our websites. By providing streaming, we have been able to broaden our listener reach, particularly to "office hour" listeners, including at home "office hour" listeners. We believe streaming has had a positive impact on our radio stations' reach to listeners. In addition, our station websites link to our other online properties operated by our primary digital unit, Interactive One. Interactive One operates the largest social networking site primarily targeting African-Americans and other branded websites, including Bossip, HipHopWired and MadameNoire. Interactive One derives revenue from advertising services on non-radio station branded websites, and studio services where Interactive One provides services to other publishers. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered or when "click through" purchases are made, where applicable. In addition, Interactive One derives revenue from its studio operations which provide third-party clients with digital platforms and expertise. In the case of the studio operations, revenue is recognized primarily through fixed contractual monthly fees and/or as a share of the third party's reported revenue.

Finally, our MGM National Harbor investment entitles us to an annual cash distribution based on net gaming revenue from gaming activities conducted on the site of the facility. Future opportunities could include investments in, acquisitions of, or the development of companies in diverse media businesses, gaming and entertainment, music production and distribution, movie distribution, internet-based services, and distribution of our content through emerging distribution systems such as the Internet, smartphones, cellular phones, tablets, and the home entertainment market.

Competition

The media industry is highly competitive and we face intense competition across our core radio franchise and all of our complementary media properties. Our media properties compete for audiences and advertising revenue with other radio stations and with other media such as broadcast and cable television, the Internet, satellite radio, newspapers, magazines, direct mail and outdoor advertising, some of which may be owned or controlled by horizontally-integrated companies. Audience ratings and advertising revenue are subject to change and any adverse change in a market could adversely affect our net revenue in that market. If a competing radio station converts to a format similar to that of one of our radio stations, or if one of our competitors strengthens its signal or operations, our stations could suffer a reduction in ratings and advertising revenue. Other media companies which are larger and have more resources may also enter or increase their presence in markets or segments in which we operate. Although we believe our media properties are well positioned to compete, we cannot assure that our properties will maintain or increase their current ratings, market share or advertising revenue.

Providing content across various distribution platforms is a highly competitive business. Our digital and cable television segments compete for the time and attention of internet users and viewers and, thus, advertisers and advertising revenues with a wide range of internet companies such as Amazon™, Netflix™, Yahoo!™, Google™, and Microsoft™, with social networking sites such as Facebook™ and with traditional media companies, which are increasingly offering their own digital products and services both organically and through acquisition. We experience competition for the development and acquisition of content, distribution of content, sale of commercial time on our digital and cable television networks and viewership. There is competition from other digital companies, production studios and other television networks for the acquisition of content and creative talent such as writers, producers and directors. Our ability to produce and acquire popular content is an important competitive factor for the distribution of our content, attracting viewers and the sale of advertising. Our success in securing popular content and creative talent depends on various factors such as the number of competitors providing content that targets the same genre and audience, the distribution of our content, viewership, and the production, marketing and advertising support we provide.

Our TV One and CLEO TV cable television networks compete with other networks and platforms for the acquisition and distribution of content and for fees charged to cable television operators, DTH satellite service providers, and other distributors that carry our content. Our ability to secure distribution agreements is necessary to ensure the retention of our audiences. Our contractual agreements with distributors are renewed or renegotiated from time to time in the ordinary course of business. Growth in the number of networks distributed, consolidation and other market conditions in the cable and satellite distribution industry, and increased popularity of other platforms may adversely affect our ability to obtain and maintain contractual terms for the distribution of our content that are as favorable as those currently in place. The ability to secure distribution agreements is dependent upon the production, acquisition and packaging of original content, viewership, the marketing and advertising support and incentives provided to distributors, the product offering across a series of networks within a region, and the prices charged for carriage.

Our networks and digital products compete with other television networks, including broadcast, cable, local networks and other content distribution outlets for their target audiences and the sale of advertising. Our success in selling advertising is a function of the size and demographics of our audiences, quantitative and qualitative characteristics of the audience of each network, the perceived quality of the network and of the particular content, the brand appeal of the network and ratings/algorithms as determined by third-party research companies or search engines, prices charged for advertising and overall advertiser demand in the marketplace.

Federal Antitrust Laws

The agencies responsible for enforcing the federal antitrust laws, the Federal Trade Commission or the Department of Justice, may investigate certain acquisitions. We cannot predict the outcome of any specific FTC or Department of Justice investigation. Any decision by the FTC or the Department of Justice to challenge a proposed acquisition could affect our ability to consummate the acquisition or to consummate it on the proposed terms. For an acquisition meeting certain size thresholds, the Hart-Scott-Rodino Antitrust Improvements Act of 1976 requires the parties to file Notification and Report Forms concerning antitrust issues with the FTC and the Department of Justice and to observe specified waiting period requirements before consummating the acquisition.

Federal Regulation of Radio Broadcasting

The radio broadcasting industry is subject to extensive and changing regulation by the FCC and other federal agencies of ownership, programming, technical operations, employment and other business practices. The FCC regulates radio broadcast stations pursuant to the Communications Act of 1934, as amended (the “Communications Act”). The Communications Act permits the operation of radio broadcast stations only in accordance with a license issued by the FCC upon a finding that the grant of a license would serve the public interest, convenience and necessity. Among other things, the FCC:

- assigns frequency bands for radio broadcasting;
- determines the particular frequencies, locations, operating power, interference standards, and other technical parameters for radio broadcast stations;
- issues, renews, revokes and modifies radio broadcast station licenses;
- imposes annual regulatory fees and application processing fees to recover its administrative costs;
- establishes technical requirements for certain transmitting equipment to restrict harmful emissions;
- adopts and implements regulations and policies that affect the ownership, operation, program content, employment, and business practices of radio broadcast stations; and
- has the power to impose penalties, including monetary forfeitures, for violations of its rules and the Communications Act.

The Communications Act prohibits the assignment of an FCC license, or the transfer of control of an FCC licensee, without the prior approval of the FCC. In determining whether to grant or renew a radio broadcast license or consent to the assignment or transfer of control of a license, the FCC considers a number of factors, including restrictions on foreign ownership, compliance with FCC media ownership limits and other FCC rules, the character and other qualifications of the licensee (or proposed licensee) and compliance with the Anti-Drug Abuse Act of 1988. A licensee's failure to comply with the requirements of the Communications Act or FCC rules and policies may result in the imposition of sanctions, including admonishment, fines, the grant of a license renewal for less than a full eight-year term or with conditions, denial of a license renewal application, the revocation of an FCC license, and/or the denial of FCC consent to acquire additional broadcast properties.

Congress, the FCC and, in some cases, other federal agencies and local jurisdictions are considering or may in the future consider and adopt new laws, regulations and policies that could affect the operation, ownership and profitability of our radio stations, result in the loss of audience share and advertising revenue for our radio broadcast stations or affect our ability to acquire additional radio broadcast stations or finance such acquisitions. Such matters include or may include:

- changes to the license authorization and renewal process;
- proposals to increase record keeping, including enhanced disclosure of stations' efforts to serve the public interest;
- proposals to impose spectrum use or other fees on FCC licensees;
- changes to rules relating to political broadcasting, including proposals to grant free air time to candidates, and other changes regarding political and non-political program content, political advertising rates and sponsorship disclosures;
- revised rules and policies regarding the regulation of the broadcast of indecent content;
- proposals to increase the actions stations must take to demonstrate service to their local communities;
- technical and frequency allocation matters;
- changes in broadcast multiple ownership, foreign ownership, cross-ownership and ownership attribution rules and policies;
- service and technical rules for digital radio, including possible additional public interest requirements for terrestrial digital audio broadcasters;
- legislation that would provide for the payment of sound recording royalties to artists, musicians or record companies whose music is played on terrestrial radio stations; and
- changes to tax laws affecting broadcast operations and acquisitions.

The FCC also has adopted procedures for the auction of broadcast spectrum in circumstances where two or more parties have filed mutually exclusive applications for authority to construct new stations or certain major changes in existing stations. Such procedures may limit our efforts to modify or expand the broadcast signals of our stations.

We cannot predict what changes, if any, might be adopted or considered in the future, or what impact, if any, the implementation of any particular proposals or changes might have on our business.

FCC License Grants and Renewals. In making licensing determinations, the FCC considers an applicant's legal, technical, character and other qualifications. The FCC grants radio broadcast station licenses for specific periods of time and, upon application, may renew them for additional terms. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application is pending. Under the Communications Act, radio broadcast station licenses may be granted for a maximum term of eight years.

Generally, the FCC renews radio broadcast licenses without a hearing upon a finding that:

- the radio station has served the public interest, convenience and necessity;
- there have been no serious violations by the licensee of the Communications Act or FCC rules and regulations; and
- there have been no other violations by the licensee of the Communications Act or FCC rules and regulations which, taken together, indicate a pattern of abuse.

After considering these factors and any petitions to deny or informal objections against a license renewal application (which may lead to a hearing), the FCC may grant the license renewal application with or without conditions, including renewal for a term less than the maximum otherwise permitted. Historically, our licenses have been renewed for full eight-year terms without any conditions or sanctions; however, there can be no assurance that the licenses of each of our stations will be renewed for a full term without conditions or sanctions.

Types of FCC Broadcast Licenses. The FCC classifies each AM and FM radio station. An AM radio station operates on either a clear channel, regional channel or local channel. A clear channel serves wide areas, particularly at night. A regional channel serves primarily a principal population center and the contiguous rural areas. A local channel serves primarily a community and the suburban and rural areas immediately contiguous to it. AM radio stations are designated as Class A, Class B, Class C or Class D. Class A, B and C stations each operate unlimited time. Class A radio stations render primary and secondary service over an extended area. Class B stations render service only over a primary service area. Class C stations render service only over a primary service area that may be reduced as a consequence of interference. Class D stations operate either during daytime hours only, during limited times only, or unlimited time with low nighttime power.

FM class designations depend upon the geographic zone in which the transmitter of the FM radio station is located. The minimum and maximum facilities requirements for an FM radio station are determined by its class. In general, commercial FM radio stations are classified as follows, in order of increasing power and antenna height: Class A, B1, C3, B, C2, C1, C0 and C. The FCC has adopted a rule subjecting Class C FM stations that do not satisfy a certain antenna height requirement to an involuntary downgrade in class to Class C0 under certain circumstances.

Urban One's Licenses. The following table sets forth information with respect to each of our radio stations for which we hold the license as of December 31, 2021. Stations which we do not own as of December 31, 2021, but operate under an LMA, are not reflected on this table. A broadcast station's market may be different from its community of license. The coverage of an AM radio station is chiefly a function of the power of the radio station's transmitter, less dissipative power losses and any directional antenna adjustments. For FM radio stations, signal coverage area is chiefly a function of the

ERP of the radio station's antenna and the HAAT of the radio station's antenna. "ERP" refers to the effective radiated power of an FM radio station. "HAAT" refers to the antenna height above average terrain of an FM radio station.

Market	Station Call Letters	Year of Acquisition	FCC Class	ERP (FM) Power (AM) in Kilowatts	Antenna Height (AM) HAAT in Meters	Operating Frequency	Expiration Date of FCC License
Atlanta	WUMJ-FM	1999	C3	8.5	165.0	97.5 MHz	4/1/2028
	WAMJ-FM	1999	C2	33.0	185.0	107.5 MHz	4/1/2028
	WHTA-FM	2002	C2	35.0	177.0	107.9 MHz	4/1/2028
	WPZE-FM	1999	A	3.0	143.0	102.5 MHz	4/1/2028
Washington, DC	WOL-AM	1980	C	0.4	N/A	1450 kHz	10/1/2027
	WMMJ-FM	1987	A	2.9	146.0	102.3 MHz	10/1/2027
	WKYS-FM	1995	B	24.5	215.0	93.9 MHz	10/1/2027
	WPRS-FM	2008	B	20.0	244.0	104.1 MHz	10/1/2027
	WYCB-AM	1998	C	1.0	N/A	1340 kHz	10/1/2027
	WDCJ-FM	2017	A	2.9	145.0	92.7 MHz	10/1/2027
Philadelphia	WPHI-FM	1997	A	0.3	338.0	103.9 MHz	8/1/2022
	WRNB-FM	2000	B	17.0	263.0	100.3 MHz	8/1/2022
	WPPZ-FM	2004	A	0.8	276.0	107.9 MHz	6/1/2022
Houston	KMJQ-FM	2000	C	100.0	524.0	102.1 MHz	8/1/2021[1]
	KBXX-FM	2000	C	100.0	585.0	97.9 MHz	8/1/2021[1]
	KROI-FM	2004	C1	40.0	421.0	92.1 MHz	8/1/2021[1]
Dallas	KBFB-FM	2000	C	100.0	574.0	97.9 MHz	8/1/2029
	KZMJ-FM	2001	C	100.0	591.0	94.5 MHz	8/1/2029
Baltimore	WWIN-AM	1992	C	0.5	N/A	1400 kHz	10/1/2027
	WWIN-FM	1992	A	3.0	91.0	95.9 MHz	10/1/2027
	WOLB-AM	1993	D	0.3	N/A	1010 kHz	10/1/2027
	WERQ-FM	1993	B	37.0	173.0	92.3 MHz	10/1/2027
Charlotte	WQNC-FM	2000	C3	10.5	154.0	92.7 MHz	12/1/2027
	WPZS-FM	2004	A	6.0	94.0	100.9 MHz	12/1/2027
	WOSF-FM	2014	C1	51.0	395.0	105.3 MHz	12/1/2027
	WBT-FM	2021	C3	7.7	182.2	99.3 MHz	12/1/2027
	WBT-AM	2021	A	50.0	N/A	1110 MHz	12/1/2027
	WFNZ-AM	2021	B	5.0	N/A	610 MHz	12/1/2027
	WLNK-FM	2021	C	100.0	576.0	107.9 MHz	12/1/2027
Cleveland	WJMO-AM	1999	B	5.0	N/A	1300 kHz	10/1/2028
	WENZ-FM	1999	B	16.0	272.0	107.9 MHz	10/1/2028
	WZAK-FM	2000	B	27.5	189.0	93.1 MHz	10/1/2028
	WERE-AM	2000	C	1.0	N/A	1490 kHz	10/1/2028
Raleigh-Durham	WQOK-FM	2000	C2	50.0	146.0	97.5 MHz	12/1/2027
	WFXK-FM	2000	C1	100.0	299.0	104.3 MHz	12/1/2027
	WFXC-FM	2000	C3	13.0	141.0	107.1 MHz	12/1/2027
	WNNL-FM	2000	C3	7.9	176.0	103.9 MHz	12/1/2027
Richmond	WPZZ-FM	1999	C1	100.0	299.0	104.7 MHz	10/1/2027
	WCDX-FM	2001	B1	4.5	235.0	92.1 MHz	10/1/2027
	WKJM-FM	2001	A	6.0	100.0	99.3 MHz	10/1/2027
	WKJS-FM	2001	A	2.3	162.0	105.7 MHz	10/1/2027
	WTPS-AM	2001	C	1.0	N/A	1240 kHz	10/1/2027
	WXGI-AM	2017	D	3.9	N/A	950 kHz	10/1/2027
Columbus	WCKX-FM	2001	A	1.9	126.0	107.5 MHz	10/1/2028
	WBMO-FM	2001	A	6.0	99.0	106.3 MHz	10/1/2028
	WXMG-FM	2016	B	21.0	232.0	95.5 MHz	10/1/2028
	WJYD-FM	2016	A	6.0	100.0	107.1 MHz	10/1/2028
Indianapolis	WHHH-FM	2000	A	3.3	87.0	96.3 MHz	8/1/2028
	WTLC-FM	2000	A	6.0	99.0	106.7 MHz	8/1/2028
	WNOW-FM	2000	A	6.0	100.0	100.9 MHz	8/1/2028
	WTLC-AM	2001	B	5.0	N/A	1310 kHz	8/1/2028
Cincinnati	WIZF-FM	2001	A	2.5	155.0	101.1 MHz	8/1/2028
	WDBZ-AM	2007	C	1.0	N/A	1230 kHz	10/1/2028
	WOSL-FM	2006	A	3.1	141.0	100.3 MHz	10/1/2028

[1] A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application was filed and is pending, as is the case with respect to each of our stations with licenses that have expired.

To obtain the FCC's prior consent to assign or transfer control of a broadcast license, an appropriate application must be filed with the FCC. If the assignment or transfer involves a substantial change in ownership or control of the licensee, for example, the transfer of more than 50% of the voting stock, the applicant must give public notice and the application is subject to a 30-day period for public comment. During this time, interested parties may file petitions with the FCC to deny the application. Informal objections may be filed at any time until the FCC acts upon the application. If the FCC grants an assignment or transfer application, administrative procedures provide for petitions seeking reconsideration or full FCC review of the grant. The Communications Act also permits the appeal of a contested grant to a federal court.

Under the Communications Act, a broadcast license may not be granted to or held by any person who is not a U.S. citizen or by any entity that has more than 20% of its capital stock owned or voted by non-U.S. citizens or entities or their representatives, or by foreign governments or their representatives. The Communications Act prohibits more than 25% indirect foreign ownership or control of a licensee through a parent company if the FCC determines the public interest will be served by such prohibition. The FCC has interpreted this provision of the Communications Act to require an affirmative public interest finding before this 25% limit may be exceeded. Since we serve as a holding company for subsidiaries that serve as licensees for our stations, we are effectively restricted from having more than one-fourth of our stock owned or voted directly or indirectly by non-U.S. citizens or their representatives, foreign governments, representatives of foreign governments, or foreign business entities unless we seek and obtain FCC authority to exceed that level. The FCC will entertain and authorize, on a case-by-case basis and upon a sufficient public interest showing and favorable executive branch review, proposals to exceed the 25% indirect foreign ownership limit in broadcast licensees.

The FCC applies its media ownership limits to "attributable" interests. The interests of officers, directors and those who directly or indirectly hold five percent or more of the total outstanding voting stock of a corporation that holds a broadcast license (or a corporate parent) are generally deemed attributable interests, as are any limited partnership or limited liability company interests that are not properly "insulated" from management activities. Certain passive investors that hold stock for investment purposes only are deemed attributable with the ownership of 20% or more of the voting stock of a licensee or parent corporation. An entity with one or more radio stations in a market that enters into a local marketing agreement or a time brokerage agreement with another radio station in the same market obtains an attributable interest in the brokered radio station if the brokering station supplies programming for more than 15% of the brokered radio station's weekly broadcast hours. Similarly, a radio station licensee's right under a joint sales agreement ("JSA") to sell more than 15% per week of the advertising time on another radio station in the same market constitutes an attributable ownership interest in such station for purposes of the FCC's ownership rules. Debt instruments, non-voting stock, unexercised options and warrants, minority voting interests in corporations having a single majority shareholder, and limited partnership or limited liability company membership interests where the interest holder is not "materially involved" in the media-related activities of the partnership or limited liability company pursuant to FCC-prescribed "insulation" provisions, generally do not subject their holders to attribution unless such interests implicate the FCC's equity-debt-plus (or "EDP") rule. Under the EDP rule, a major programming supplier or the holder of an attributable interest in a same-market radio station, will have an attributable interest in a station if the supplier or same-market media entity also holds debt or equity, or both, in the station that is greater than 33% of the value of the station's total debt plus equity. For purposes of the EDP rule, equity includes all stock, whether voting or nonvoting, and interests held by limited partners or limited liability company members that are "insulated" from material involvement in the company's media activities. A major programming supplier is any supplier that provides more than 15% of the station's weekly programming hours.

The Communications Act and FCC rules generally restrict ownership, operation or control of, or the common holding of attributable interests in, radio broadcast stations serving the same local market in excess of specified numerical limits.

The numerical limits on radio stations that one entity may own in a local market are as follows:

- in a radio market with 45 or more commercial radio stations, a party may hold an attributable interest in up to eight commercial radio stations, not more than five of which are in the same service (AM or FM);

- in a radio market with 30 to 44 commercial radio stations, a party may hold an attributable interest in up to seven commercial radio stations, not more than four of which are in the same service (AM or FM);

- in a radio market with 15 to 29 commercial radio stations, a party may hold an attributable interest in up to six commercial radio stations, not more than four of which are in the same service (AM or FM); and

- in a radio market with 14 or fewer commercial radio stations, a party may hold an attributable interest in up to five commercial radio stations, not more than three of which are in the same service (AM or FM), except that a party may not hold an attributable interest in more than 50% of the radio stations in such market.

To apply these tiers, the FCC currently relies on Nielsen Metro Survey Areas, where they exist. In other areas, the FCC relies on a contour-overlap methodology. The FCC has initiated a rulemaking to determine how to define local radio markets in areas located outside Nielsen Metro Survey Areas. The market definition used by the FCC in applying its ownership rules may not be the same as that used for purposes of the Hart-Scott-Rodino Act. In 2003, when the FCC changed its methodology for defining local radio markets, it grandfathered existing combinations of radio stations that would not comply with the modified rules. The FCC's rules provide that these grandfathered combinations may not be sold intact except to certain "eligible entities," which the FCC defines as entities qualifying as a small business consistent with Small Business Administration standards.

The media ownership rules are subject to review by the FCC every four years. In August 2016, the FCC issued an order concluding its 2010 and 2014 quadrennial reviews. The August 2016 decision retained the local radio ownership rule, the radio-television cross-ownership rule and the prohibition on newspaper-broadcast cross-ownership without significant changes. In November 2017, the FCC adopted an order reconsidering the August 2016 decision and modifying it in a number of respects. The November 2017 order on reconsideration did not significantly modify the August 2016 decision with respect to the local radio ownership limits. It did, however, eliminate the FCC's previous limits on radio/television cross-ownership and newspaper/broadcast cross-ownership effective February 7, 2018. In September 2019, a federal appeals court vacated the FCC's November 2017 order on reconsideration, as a result of which the radio/television and newspaper/broadcast cross-ownership rules were reinstated. On April 1, 2021, however, the U.S. Supreme Court reversed the September 2019 appeals court ruling, resulting in the elimination of the radio/television and newspaper/broadcast cross-ownership rules effective June 30, 2021. The FCC's 2018 quadrennial review of its media ownership rules, which commenced in December 2018, is currently pending.

The attribution and media ownership rules limit the number of radio stations we may acquire or own in any particular market and may limit the prospective buyers of any stations we want to sell. The FCC's rules could affect our business in a number of ways, including, but not limited to, the following:

- the FCC's radio ownership limits could have an adverse effect on our ability to accumulate stations in a given area or to sell a group of stations in a local market to a single entity;

- restricting the assignment and transfer of control of "grandfathered" radio combinations that exceed the ownership limits as a result of the FCC's 2003 change in local market definition could adversely affect our ability to buy or sell a group of stations in a local market from or to a single entity; and

- in general terms, future changes in the way the FCC defines radio markets or in the numerical station caps could limit our ability to acquire new stations in certain markets, our ability to operate stations pursuant to certain agreements, and our ability to improve the coverage contours of our existing stations.

Programming and Operations. The Communications Act requires broadcasters to serve the "public interest" by presenting programming that responds to community problems, needs and interests and by maintaining records demonstrating such responsiveness. The FCC considers complaints from viewers or listeners about a broadcast station's programming. All radio stations are now required to maintain their public inspection files on a publicly accessible FCC-hosted online database. Moreover, the FCC has from time to time proposed rules designed to increase local programming content and diversity, including renewal application processing guidelines for locally-oriented programming and a requirement that broadcasters establish advisory boards in the communities where they own stations. Stations also must follow FCC rules and policies regulating political advertising, obscene or indecent programming, sponsorship identification, contests and lotteries and technical operation, including limits on human exposure to radio frequency radiation.

The FCC requires that licensees not discriminate in hiring practices on the basis of race, color, religion, national origin or gender. It also requires stations with at least five full-time employees to broadly disseminate information about all full-time job openings and undertake outreach initiatives from an FCC list of activities such as participation in job fairs, internships, or scholarship programs. The FCC is considering whether to apply these recruitment requirements to part-time employment positions. Stations must retain records of their outreach efforts and keep an annual Equal Employment Opportunity ("EEO") report in their public inspection files and post an electronic version on their websites.

From time to time, complaints may be filed against any of our radio stations alleging violations of these or other rules. In addition, the FCC may conduct audits or inspections to ensure and verify licensee compliance with FCC rules and regulations. Failure to observe these or other rules and regulations can result in the imposition of various sanctions, including fines or conditions, the grant of "short" (less than the maximum eight year) renewal terms or, for particularly egregious violations, the denial of a license renewal application or the revocation of a license.

Human Capital

As of December 31, 2021, we employed 825 full-time employees and 330 part-time employees. Our employees are not unionized.

We believe that our success largely depends upon our continued ability to attract and retain highly skilled employees. We provide our employees with competitive salaries and bonuses, development programs that enable continued learning and growth, and offer an employment package that promotes well-being across all aspects of their lives, including health care, retirement planning and paid time off.

As a business founded by an African-American woman, diversity and inclusion is engrained in our corporate history. Our Board of Directors is diverse; Catherine L. Hughes, our Founder and Chairperson, is an African-American woman, and four of our six directors are minorities. Our President and Chief Executive Officer, who is also a director, Alfred C. Liggins, III is an African-American male, as is our Senior Vice President and General Counsel, Kristopher Simpson. Further, Karen Wishart, our Executive Vice President and Chief Administrative Officer, is an African-American woman, as is Michelle Rice, President of TV ONE. As of December 31, 2021, 79% of our employees were racially diverse, and 47% of our employees were women. We are proud that our organization is governed and propelled by such a diverse group of individuals, which we believe contributes to our Company's success now, and in the long-term.

Our senior leadership team has introduced various initiatives to ensure that our Company remains inclusive and supportive for all, including: (i) conducting workplace training, which includes focuses on unconscious bias, discrimination and harassment; (ii) leveraging a diverse slate of candidates for all job vacancies, including senior leadership; and (iii) developing content across our multi-media platform that elevates the voice of minority communities to foster equality and inclusion in both the entertainment industry and across the nation.

Environmental

As the owner, lessee or operator of various real properties and facilities, we are subject to federal, state and local environmental laws and regulations. Historically, compliance with these laws and regulations has not had a material adverse effect on our business. There can be no assurance, however, that compliance with existing or new environmental laws and regulations will not require us to make significant expenditures in the future.

Corporate Governance

Code of Ethics. We have adopted a code of ethics that applies to all of our directors, officers (including our principal financial officer and principal accounting officer) and employees and meets the requirements of the SEC and the NASDAQ Stock Market Rules. Our code of ethics can be found on our website, *www.urban1.com.* We will provide a paper copy of the code of ethics, free of charge, upon request.

Audit Committee Charter. Our audit committee has adopted a charter as required by the NASDAQ Stock Market Rules. This committee charter can be found on our website, *www.urban1.com.* We will provide a paper copy of the audit committee charter, free of charge, upon request.

Compensation Committee Charter. Our Board of Directors has adopted a compensation committee charter. We will provide a paper copy of the compensation committee charter, free of charge, upon request.

Internet Address and Internet Access to SEC Reports

Our internet address is *www.urban1.com.* You may obtain through our internet website, free of charge, copies of our proxies, annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934. These reports are available as soon as reasonably practicable after we electronically file them with or furnish them to the SEC. Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this Form 10-K.

ITEM 1A. RISK FACTORS

Risks Related to Our Business and Industry

In an enterprise as large and complex as ours, a wide range of factors could affect our business and financial results. The factors described below are considered to be the most significant, but are not listed in any particular order. There may be other currently unknown or unpredictable economic, business, competitive, regulatory or other factors that could have material adverse effects on our future results. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods. The following discussion of risk factors should be read in conjunction with “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the consolidated financial statements and related notes in “Item 8. Financial Statements and Supplementary Data” of this Form 10-K.

Risks Related to the Nature and Operations of Our Business

Impact of Ongoing Public Health Crisis

An epidemic or pandemic disease outbreak, such as the ongoing COVID-19 pandemic, has caused, and is causing, significant disruption to our business operations. Measures taken by governmental authorities and private actors to limit the spread of the virus have interfered and continue to interfere with the ability our employees, suppliers, and customers to conduct their functions and business in a normal manner. Further, the demand for advertising across our various segments/platforms is linked to the level of economic activity and employment in the U.S. Specifically, our business is heavily dependent on the demand for advertising from consumer-focused companies. Dislocation of consumer demand due to social distancing and government interventions (such as lockdowns or shelter in place policies) has caused, and could further cause, advertisers to reduce, postpone or eliminate their marketing spending generally, and on our platforms in particular. Continued or future social distancing, government interventions and/or recessions could have a material adverse effect on our business and financial condition. Moreover, continued or future declines or disruptions due to the COVID-19 pandemic and new variants of COVID-19, could adversely affect our business and financial performance.

The extent to which our results continue to be affected by COVID-19 will largely depend on future developments, which are not within our control and cannot be accurately predicted and are uncertain. These developments include, but are not limited to, the duration, scope and severity of the pandemic, any additional resurgences, variants or new viruses; the ability to effectively and widely manufacture and distribute vaccines; the public’s perception of the safety of the vaccines and their willingness to take the vaccines; the effect of the COVID-19 pandemic on our customers and the ability of our clients to meet their payment terms; the public’s willingness to attend live events; and the pace of recovery when the pandemic subsides.

The state and condition of the global financial markets and fluctuations in the global and U.S. economies may have an unpredictable impact on our business and financial condition.

From time to time, including as a result of the current pandemic, the global equity and credit markets experience high levels of volatility and disruption. At various points in time, the markets have produced upward and/or downward pressure on stock prices and limited credit capacity for certain companies without regard to those companies' underlying financial strength. In addition, advertising is a discretionary and variable business expense. Spending on advertising tends to decline disproportionately during an economic recession or downturn as compared to other types of business spending. Consequently, a downturn in the United States economy generally has an adverse effect on our advertising revenue and, therefore, our results of operations. A recession or downturn in the economy of any individual geographic market, particularly a major market in which we operate, also may have a significant effect on us. Radio revenues in the markets in which we operate may also face greater challenges than the U.S. economy generally and may remain so. Radio revenues in certain markets in which we operate have lagged the growth of the general United States economy. Radio revenues in markets in which we operate, as measured by the accounting firm Miller Kaplan Arase LLP ("Miller Kaplan") were down in 2020 and, while they have recovered, they have yet to fully reach pre-pandemic levels. Even in the absence of a general recession or downturn in the economy, an individual business sector (such as the automotive industry or the hospitality industry) that tends to spend more on advertising than other sectors might be forced to reduce its advertising expenditures if that sector experiences a downturn. If any such sector's spending represents a significant portion of our advertising revenues, any reduction in its advertising expenditures may affect our revenue.

Any deterioration in the economy could negatively impact our ability to meet our cash needs and our ability to maintain compliance with our debt covenants.

If economic conditions change, or other adverse factors outside our control arise, including continued disruptions due to the pandemic or other social factors, our operations could be negatively impacted, which could prevent us from maintaining liquidity or compliance with our debt covenants. If it appears that we could not meet our liquidity needs or that noncompliance with debt covenants is likely, we would implement remedial measures, which could include, but not be limited to, operating cost and capital expenditure reductions and deferrals. In addition, we could implement de-leveraging actions, which may include, but not be limited to, other debt repayments, subject to our available liquidity and contractual ability to make such repayments and/or debt refinancing and amendments.

The terms of our indebtedness and the indebtedness of our direct and indirect subsidiaries may restrict our current and future operations, particularly our ability to respond to changes in market conditions or to take some actions.

Our debt instruments impose operating and financial restrictions on us. These restrictions limit or prohibit, among other things, our ability and the ability of our subsidiaries to incur additional indebtedness, issue preferred stock, incur liens, pay dividends, enter into asset purchase or sale transactions, merge or consolidate with another company, dispose of all or substantially all of our assets or make certain other payments or investments. These restrictions could limit our ability to grow our business through acquisitions and could limit our ability to respond to market conditions or meet extraordinary capital needs.

We have historically incurred net losses which could continue into the future.

We have historically reported net losses in our consolidated statements of operations, due mostly in part to recording non-cash impairment charges for write-downs to radio broadcasting licenses and goodwill, interest expenses (both cash and non-cash), and revenue declines caused by weakened advertising demand resulting from the current economic environment. These results have had a negative impact on our financial condition and could be exacerbated in a poor economic climate. If these trends continue in the future, they could have a material adverse effect on our financial condition.

Our revenue is substantially dependent on spending and allocation decisions by advertisers, and seasonality and/or weakening economic conditions may have an impact upon our business.

Substantially all of our revenue is derived from sales of advertisements and program sponsorships to local and national advertisers. Any reduction in advertising expenditures or changes in advertisers' spending priorities and/or allocations across different types of media/platforms or programming could have an adverse effect on the Company's revenues and results of operations. We do not obtain long-term commitments from our advertisers and advertisers may cancel, reduce, or postpone advertisements without penalty, which could adversely affect our revenue. Seasonal net revenue fluctuations are common in the media industries and are due primarily to fluctuations in advertising expenditures by local and national advertisers. In addition, advertising revenues in even-numbered years tend to benefit from advertising placed by candidates for political offices. The effects of such seasonality (including the weather), combined with the severe structural changes that have occurred in the U.S. economy, make it difficult to estimate future operating results based on the previous results of any specific quarter and may adversely affect operating results.

Advertising expenditures also tend to be cyclical and reflect general economic conditions, both nationally and locally. Because we derive a substantial portion of our revenues from the sale of advertising, a decline or delay in advertising expenditures could reduce our revenues or hinder our ability to increase these revenues. Advertising expenditures by companies in certain sectors of the economy, including the automotive, financial, entertainment, and retail industries, represent a significant portion of our advertising revenues. Structural changes (such as reduced footprints in retail and the movement of retailers online) and business failures in these industries have affected our revenues and continued structural changes or business failures in any of these industries could have significant further impact on our revenues. Any political, economic, social, or technological change resulting in a significant reduction in the advertising spending of these sectors could adversely affect our advertising revenues or our ability to increase such revenues. In addition, because many of the products and services offered by our advertisers are largely discretionary items, weakening economic conditions or changes in consumer spending patterns could reduce the consumption of such products and services and, thus, reduce advertising for such products and services. Changes in advertisers' spending priorities during economic cycles may also affect our results. Pandemics, disasters (domestic or external to the United States), acts of terrorism, political uncertainty or hostilities could also lead to a reduction in advertising expenditures as a result of supply or demand issues, uninterrupted news coverage and economic uncertainty.

Our success is dependent upon audience acceptance of our content, particularly our television and radio programs, which is difficult to predict.

Radio, video, and digital content production and distribution are inherently risky businesses because the revenues derived from the production and distribution of media content or a radio program, and the licensing of rights to the intellectual property associated with the content or program, depend primarily upon their acceptance and perceptions by the public, which can change quickly and are difficult to predict. The commercial success of content or a program also depends upon the quality and acceptance of other competing programs released into the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions, and other tangible and intangible factors, all of which are difficult to predict. Our failure to obtain or retain rights to popular content on any part of our multi-media platform could adversely affect our revenues. Further, social distancing measures and governmental restrictions on gatherings can make the production of new content difficult (if not impossible) and this difficulty can translate in to difficulty in making sales to advertiser who prefer to advertise against new content.

Ratings for broadcast stations and traffic on a particular website are also factors that are weighed when advertisers determine which outlets to use and in determining the advertising rates that the outlet receives. Poor ratings or traffic levels can lead to a reduction in pricing and advertising revenues. For example, if there is an event causing a change of programming at one of our stations, there could be no assurance that any replacement programming would generate the same level of ratings, revenues, or profitability as the previous programming. In addition, changes in ratings methodology, search engine algorithms and technology could adversely impact our businesses and negatively affect our advertising revenues.

Television content production is inherently a risky business because the revenues derived from the production and distribution of a television program and the licensing of rights to the associated intellectual property depends primarily upon the public's level of acceptance, which is difficult to predict. The commercial success of a television program also depends upon the quality and acceptance of other competing programs in the marketplace at or near the same time, the availability of alternative forms of entertainment and leisure time activities, general economic conditions, and other tangible and intangible factors, all of which are difficult to predict. Rating points are also factors that are weighed when determining the advertising rates that TV One/CLEO TV receive. Poor ratings can lead to a reduction in pricing and advertising revenues. Consequently, low public acceptance of TV One/CLEO TV's content may have an adverse effect on our cable television segment's results of operations. Further, networks or programming launched by Netflix™, Oprah Winfrey (OWN™), Sean Combs (REVOLT TV™), and Magic Johnson (ASPIRE™), could take away from our audience share and ratings and thus have an adverse effect on our cable television's results of operations.

Increases in or new royalties, including through legislation, could adversely impact our business, financial condition and results of operations.

We currently pay royalties to song composers and publishers through BMI, ASCAP, SESAC and GMR but not to record labels or recording artists for exhibition or use of over the air broadcasts of music. We must also pay royalties to the copyright owners of sound recordings for the digital audio transmission of such sound recordings on the Internet. We pay such royalties under federal statutory licenses and pay applicable license fees to SoundExchange, the non-profit organization designated by the United States Copyright Royalty Board to collect such license fees. The royalty rates applicable to sound recordings under federal statutory licenses are subject to adjustment. The royalty rates we pay to copyright owners for the public performance of musical compositions on our radio stations and internet streams could increase as a result of private negotiations and the emergence of new performing rights organizations, which could adversely impact our businesses, financial condition, results of operations and cash flows. Further, from time to time, Congress considers legislation which could change the copyright fees and the procedures by which the fees are determined. The legislation historically has been the subject of considerable debate and activity by the broadcast industry and other parties affected by the proposed legislation. It cannot be predicted whether any proposed future legislation will become law or what impact it would have on our results from operations, cash flows or financial position.

A disproportionate share of our radio segment revenue comes from a small number of geographic markets and our syndicated radio business, Reach Media.

For the year ended December 31, 2021, approximately 31.8% of our net revenue was generated from the sale of advertising in our core radio business, excluding Reach Media. Within our core radio business, four (Houston, Washington, DC, Atlanta and Baltimore) of the 13 markets in which we operated radio stations throughout 2021 or a portion thereof accounted for approximately 53.8% of our radio station net revenue for the year ended December 31, 2021. Revenue from the operations of Reach Media, along with revenue from both the Houston and Washington, DC markets accounted for approximately 19.3% of our total consolidated net revenue for the year ended December 31, 2021. Revenue from the operations of Reach Media, along with revenue from the four significant contributing radio markets, accounted for approximately 27.5% of our total consolidated net revenue for the year ended December 31, 2021. Adverse events or conditions (economic, including government cutbacks or otherwise) could lead to declines in the contribution of Reach Media or declines in one or more of the four significant contributing radio markets, which could have a material adverse effect on our overall financial performance and results of operations.

We may lose audience share and advertising revenue to our competitors.

Our media properties compete for audiences and advertising revenue with other radio stations and station groups and other media such as broadcast television, newspapers, magazines, cable television, satellite television, satellite radio, outdoor advertising, "over the top providers" on the internet and direct mail. Adverse changes in audience ratings, internet traffic, and market shares could have a material adverse effect on our revenue. Larger media companies, with more financial resources than we have may target our core audiences or enter the segments or markets in which we operate, causing competitive pressure. Further, other media and broadcast companies may change their programming format or engage in aggressive promotional campaigns to compete directly with our media properties for our core audiences and advertisers. Competition for our core audiences in any of our segments or markets could result in lower ratings or traffic and, hence, lower advertising revenue for us, or cause us to increase promotion and other expenses and, consequently, lower our earnings and cash flow. Changes in population, demographics, audience tastes and other factors beyond our control, could also cause changes in audience ratings or market share. Failure by us to respond successfully to these changes could have an adverse effect on our business and financial performance. We cannot assure that we will be able to maintain or increase our current audience ratings and advertising revenue.

We must respond to the rapid changes in technology, content offerings, services, and standards across our entire platform in order to remain competitive.

Technological standards across our media properties are evolving and new distribution technologies/platforms are emerging at a rapid pace. We cannot assure that we will have the resources to acquire new technologies or to introduce new features, content or services to compete with these new technologies. New media has resulted in fragmentation in the advertising market, and we cannot predict the effect, if any, that additional competition arising from new technologies or content offerings may have across any of our business segments or our financial condition and results of operations, which may be adversely affected if we are not able to adapt successfully to these new media technologies or distribution platforms. The continuing growth and evolution of channels and platforms has increased our challenges in differentiating ourselves from other media platforms. We continually seek to develop and enhance our content offerings and distribution platforms/methodologies. Failure to effectively execute in these efforts, actions by our competitors, or other failures to deliver content effectively could hurt our ability to differentiate ourselves from our competitors and, as a result, have adverse effects across our business.

The loss of key personnel, including certain on-air talent, could disrupt the management and operations of our business.

Our business depends upon the continued efforts, abilities and expertise of our executive officers and other key employees, including certain on-air personalities. We believe that the combination of skills and experience possessed by our executive officers and other key employees could be difficult to replace, and that the loss of one or more of them could have a material adverse effect on us, including the impairment of our ability to execute our business strategy. In addition, several of our on-air personalities and syndicated radio programs hosts have large loyal audiences in their respective broadcast areas and may be significantly responsible for the ratings of a station. The loss of such on-air personalities or any change in their popularity could impact the ability of the station to sell advertising and our ability to derive revenue from syndicating programs hosted by them. We cannot be assured that these individuals will remain with us or will retain their current audiences or ratings.

If our digital segment does not continue to develop and offer compelling and differentiated content, products and services, our advertising revenues could be adversely affected.

In order to attract consumers and generate increased activity on our digital properties, we believe that we must offer compelling and differentiated content, products and services. However, acquiring, developing, and offering such content, products and services may require significant costs and time to develop, while consumer tastes may be difficult to predict and are subject to rapid change. Further, social distancing and governmental restrictions on gatherings may inhibit our ability to produce content. If we are unable to provide content, products and services that are sufficiently attractive to our digital users, we may not be able to generate the increases in activity necessary to generate increased advertising revenues. In addition, although we have access to certain content provided by our other businesses, we may be required to make substantial payments to license such content. Many of our content arrangements with third parties are non-exclusive, so competitors may be able to offer similar or identical content. If we are not able to acquire or develop compelling content and do so at reasonable prices, or if other companies offer content that is similar to that provided by our digital segment, we may not be able to attract and increase the engagement of digital consumers on our digital properties.

Continued growth in our digital business also depends on our ability to continue offering a competitive and distinctive range of advertising products and services for advertisers and publishers and our ability to maintain or increase prices for our advertising products and services. Continuing to develop and improve these products and services may require significant time and costs. If we cannot continue to develop and improve our advertising products and services or if prices for our advertising products and services decrease, our digital advertising revenues could be adversely affected. Finally, recently, our digital business has seen significant growth in its business due to advertisers increased interest in minority controlled media given recent social justice/equality trends. Should these trends reverse or decline, revenues within our digital and other segments could be adversely impacted.

More individuals are using devices other than personal and laptop computers to access and use the internet, and, if we cannot make our products and services available and attractive to consumers via these alternative devices, our internet advertising revenues could be adversely affected.

Digital users are increasingly accessing and using the internet through mobile tablets, smartphones and wearable devices. In order for consumers to access and use our products and services via these devices, we must ensure that our products and services are technologically compatible with such devices. If we cannot effectively make our products and services available on these devices, fewer internet consumers may access and use our products and services and our advertising revenue may be negatively affected.

Unrelated third parties may claim that we infringe on their rights based on the nature and content of information posted on websites we maintain.

We host internet services that enable individuals to exchange information, generate content, comment on our content, and engage in various online activities. The law relating to the liability of providers of these online services for activities of their users is currently unsettled both within the United States and internationally. While we monitor postings to such websites, claims may be brought against us for defamation, negligence, copyright or trademark infringement, unlawful activity, tort, including personal injury, fraud, or other theories based on the nature and content of information that may be posted online or generated by our users. Our defense of such actions could be costly and involve significant time and attention of our management and other resources.

If we are unable to protect our domain names and/or content, our reputation and brands could be adversely affected.

We currently hold various domain name registrations relating to our brands, including urban1.com, radio-one.com and interactiveone.com. The registration and maintenance of domain names are generally regulated by governmental agencies and their designees. Governing bodies may establish additional top-level domains, appoint additional domain name registrars, or modify the requirements for holding domain names. As a result, we may be unable to register or maintain relevant domain names. We may be unable, without significant cost or at all, to prevent third parties from registering domain names that are similar to, infringe upon, or otherwise decrease the value of our trademarks and other proprietary rights. Failure to protect our domain names could adversely affect our reputation and brands, and make it more difficult for users to find our websites and our services. In addition, piracy of the Company's content, including digital piracy, may decrease revenue received from the exploitation of the Company's programming and other content and adversely affect its businesses and profitability.

Future asset impairment to the carrying values of our FCC licenses and goodwill could adversely impact our results of operations and net worth.

As of December 31, 2021, we had approximately $505.2 million in broadcast licenses and $223.4 million in goodwill, which totaled $728.6 million, and represented approximately 57.8% of our total assets. Therefore, we believe estimating the fair value of goodwill and radio broadcasting licenses is a critical accounting estimate because of the significance of their carrying values in relation to our total assets.

We are required to test our goodwill and indefinite-lived intangible assets for impairment at least annually, which we have traditionally done in the fourth quarter, or on an interim basis when events or changes in circumstances suggest impairment may have occurred. Impairment is measured as the excess of the carrying value of the goodwill or indefinite-lived intangible asset over its fair value. Impairment may result from deterioration in our performance, changes in anticipated future cash flows, changes in business plans, adverse economic or market conditions, adverse changes in applicable laws and regulations, or other factors beyond our control. The amount of any impairment must be expensed as a charge to operations. Fair values of FCC licenses and goodwill have been estimated using the income approach, which involves a 10-year model that incorporates several judgmental assumptions about projected revenue growth, future operating margins, discount rates and terminal values. We also utilize a market-based approach to evaluate our fair value estimates. There are inherent uncertainties related to these assumptions and our judgment in applying them to the impairment analysis.

Changes in certain events or circumstances could result in changes to our estimated fair values, and may result in further write-downs to the carrying values of these assets. Additional impairment charges could adversely affect our financial results, financial ratios and could limit our ability to obtain financing in the future.

Our business depends on maintaining our licenses with the FCC. We could be prevented from operating a radio station if we fail to maintain its license.

Within our core radio business, we are required to maintain radio broadcasting licenses issued by the FCC. These licenses are ordinarily issued for a maximum term of eight years and are renewable. Currently, subject to renewal, our radio broadcasting licenses expire at various times beginning August 2021 through August 1, 2029. While we anticipate receiving renewals of all of our broadcasting licenses, interested third parties may challenge our renewal applications. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application was filed and is pending, as is the case with respect to each of our stations with licenses that have expired. During the periods when a renewal application is pending, informal objections and petitions to deny the renewal application can be filed by interested parties, including members of the public, on a variety of grounds. In addition, we are subject to extensive and changing regulation by the FCC with respect to such matters as programming, indecency standards, technical operations, employment and business practices. If we or any of our significant stockholders, officers, or directors violate the FCC's rules and regulations or the Communications Act of 1934, as amended (the "Communications Act"), or is convicted of a felony or found to have engaged in certain other types of non-FCC related misconduct, the FCC may commence a proceeding to impose fines or other sanctions upon us. Examples of possible sanctions include the imposition of fines, the renewal of one or more of our broadcasting licenses for a term of fewer than eight years or the revocation of our broadcast licenses. If the FCC were to issue an order denying a license renewal application or revoking a license, we would be required to cease operating the radio station covered by the license only after we had exhausted administrative and judicial review without success.

Disruptions or security breaches of our information technology infrastructure could interfere with our operations, compromise client information and expose us to liability, possibly causing our business and reputation to suffer.

Our industry is prone to cyber-attacks by third parties seeking unauthorized access to our data or users' data. Any failure to prevent or mitigate security breaches and improper access to or disclosure of our data or user data could result in the loss or misuse of such data, which could harm our business and reputation and diminish our competitive position. In addition, computer malware, viruses, social engineering (predominantly spear phishing attacks), and general hacking have become more prevalent in general. Our efforts to protect our company's data or the information we receive may be unsuccessful due to software bugs or other technical malfunctions; employee, contractor, or vendor error or malfeasance; government surveillance; or other threats that evolve. In addition, third parties may attempt to fraudulently induce employees or users to disclose information in order to gain access to our data or our users' data on a continual basis.

Any internal technology breach, error or failure impacting systems hosted internally or externally, or any large scale external interruption in technology infrastructure we depend on, such as power, telecommunications or the Internet, may disrupt our technology network. Any individual, sustained or repeated failure of technology could impact our customer service and result in increased costs or reduced revenues. Our technology systems and related data also may be vulnerable to a variety of sources of interruption due to events beyond our control, including natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Our technology security initiatives, disaster recovery plans and other measures may not be adequate or implemented properly to prevent a business disruption and its adverse financial consequences to our reputation.

In addition, as a part of our ordinary business operations, we may collect and store sensitive data, including personal information of our clients, listeners and employees. The secure operation of the networks and systems on which this type of information is stored, processed and maintained is critical to our business operations and strategy. Any compromise of our technology systems resulting from attacks by hackers or breaches due to employee error or malfeasance could result in the loss, disclosure, misappropriation of or access to clients', listeners', employees' or business partners' information.

Any such loss, disclosure, misappropriation or access could result in legal claims or proceedings, liability or regulatory penalties under laws protecting the privacy of personal information, disruption of our operations and damage to our reputation, any or all of which could adversely affect our business. Although we have developed systems and processes that are designed to protect our data and user data, to prevent data loss, and to prevent or detect security breaches, we cannot assure you that such measures will provide absolute security.

In the event of a technical or cyber event, we could experience a significant, unplanned disruption, or substantial and extensive degradation of our services, or our network may fail in the future. Despite our significant infrastructure investments, we may have insufficient communications and server capacity to address these or other disruptions, which could result in interruptions in our services. Any widespread interruption or substantial and extensive degradation in the functioning of our IT or technical platform for any reason could negatively impact our revenue and could harm our business and results of operations. If such a widespread interruption occurred, or if we failed to deliver content to users as expected, our reputation could be damaged severely. Moreover, any disruptions, significant degradation, cybersecurity threats, security breaches, or attacks on our internal information technology systems could impact our ratings and cause us to lose listeners, users or viewers or make it more difficult to attract new ones, either of which could harm our business and results of operations.

On December 13, 2020, SolarWinds Corporation (“SolarWinds”) made its customers, including the Company, aware of a cyberattack against SolarWinds that inserted a vulnerability within its Orion monitoring products, products which the Company uses as a part of its IT infrastructure. SolarWinds advised its customers that this incident was likely the result of a highly sophisticated, targeted and manual supply chain attack by an outside nation state. SolarWinds delivered a communication to its customers, including the Company, that contained risk mitigation steps, including making available a hotfix update to address this vulnerability in part and additional measures that customers could take to help secure their environments. As of the date of this report, while we believe this attack against SolarWinds did not have an impact on the Company, this may not continue to be the case going forward. Following the disclosure from SolarWinds, we have taken steps designed to improve the security of our networks and computer systems. Despite these defensive measures, there can be no assurance that we are adequately protecting our information or that we will not experience future incidents.

The Company’s business diversification efforts, including its efforts to expand its gaming investments, are subject to risks and uncertainties.

On May 20, 2021, the City of Richmond, Virginia (the “City”) announced that it had selected the Company’s wholly-owned unrestricted subsidiary RVA Entertainment Holdings, LLC (“RVAEH”), as the City’s preferred casino gaming operator to develop and operate a casino resort in Richmond (“Casino Resort”). Pursuant to the Virginia Casino Act, the City is one of five cities in the Commonwealth of Virginia eligible to host a casino gaming establishment, subject to the citizens of the City approving a referendum (the “Referendum”). In November 2021, the required Referendum was conducted and failed to pass. On January 24, 2022, the Richmond City Council adopted a new resolution in efforts to bring the ONE Casino + Resort to the City. The new resolution was the first of several steps in pursuit of a second referendum. Upon obtaining precertification for RVA Entertainment Holdings, LLC, Urban One’s wholly owned subsidiary, by the Virginia Lottery Board, the City will then pursue an order from the Circuit Court for the City of Richmond ordering a second referendum. If the City is successful in obtaining the precertification and the court orders a second referendum, it is currently anticipated the second referendum would occur in November 2022. If the voters approve the referendum then the Commonwealth may issue one license permitting operation of a casino in Richmond. While a new process has been initiated with respect to a second referendum, there can be no assurance that a second referendum will be ordered, pass with the required voter approval or that we will otherwise be able to move forward with the Casino Resort or any similar initiative. As with all corporate development activities the Company may engage in, any of our current and future business diversification efforts, including pursuit of the Casino Resort, are subject to a number of risks, including but not limited to:

- delays in obtaining or inability to obtain necessary permits, licenses and approvals;
- changes to plans and/or specifications;
- lack of sufficient, or delays in the availability of, financing;

- changes in laws and regulations, or in the interpretation and enforcement of laws and regulations, applicable to gaming, leisure, real estate development or construction projects;
- availability of qualified contractors and subcontractors;
- environmental, health and safety issues, including site accidents and the spread of viruses;
- weather interferences or delays; and
- other unanticipated circumstances or cost increases.

In addition, in engaging of certain of these corporate development activities, we may rely on key contracts and business relationships, and if any of our business partners or contracting counterparties fail to perform, or terminate, any of their contractual arrangements with us for any reason or cease operations, our business could be disrupted and our revenues could be adversely affected. The failure to perform or termination of any of the agreements by a partner or a counterparty, the discontinuation of operations of a partner or counterparty, the loss of good relations with a partner or counterparty or our inability to obtain similar relationships or agreements, may have an adverse effect on our financial condition, results of operations and cash flow. Our operating partner, Pacific Peninsula Entertainment, recently entered into an agreement to sell substantially all of its assets, including its interest in the ONE Casino + Resort project to Churchill Downs, Incorporated, the owner of the Kentucky Derby. While the Company views this as a positive development for the project, there can be no assurance that this development will not have any negative impact on the development of the project.

Certain Regulatory Risks

The FCC's media ownership rules could restrict our ability to acquire radio stations.

The Communications Act and FCC rules and policies limit the number of broadcasting properties that any person or entity may own (directly or by attribution) in any market and require FCC approval for transfers of control and assignments of licenses. The FCC's media ownership rules remain subject to further agency and court proceedings. As a result of the FCC media ownership rules, the outside media interests of our officers and directors could limit our ability to acquire stations. The filing of petitions or complaints against Urban One or any FCC licensee from which we are acquiring a station could result in the FCC delaying the grant of, refusing to grant or imposing conditions on its consent to the assignment or transfer of control of licenses. The Communications Act and FCC rules and policies also impose limitations on non-U.S. ownership and voting of our capital stock.

Enforcement by the FCC of its indecency rules against the broadcast industry could adversely affect our business operations.

The FCC's rules prohibit the broadcast of obscene material at any time and indecent or profane material on broadcast stations between the hours of 6 a.m. and 10 p.m. Broadcasters risk violating the prohibition against broadcasting indecent material because of the vagueness of the FCC's indecency and profanity definitions, coupled with the spontaneity of live programming. The FCC has in the past vigorously enforced its indecency rules against the broadcasting industry and has threatened to initiate license revocation proceedings against broadcast licensees for "serious" indecency violations. In June 2012, the Supreme Court issued a decision which, while setting aside certain FCC indecency enforcement actions on narrow due process grounds, declined to rule on the constitutionality of the FCC's indecency policies. Following the Supreme Court's decision, the FCC requested public comment on the appropriate substance and scope of its indecency enforcement policy. It is not possible to predict whether and, if so, how the FCC will revise its indecency enforcement policies or the effect of any such changes on us. The fines for broadcasting indecent material are a maximum of $325,000 per utterance. The determination of whether content is indecent is inherently subjective and, as such, it can be difficult to predict whether particular content could violate indecency standards. The difficulty in predicting whether individual programs, words or phrases may violate the FCC's indecency rules adds significant uncertainty to our ability to comply with the rules. Violation of the indecency rules could lead to sanctions which may adversely affect our business and results of operations. In addition, third parties could oppose our license renewal applications or applications for consent to acquire broadcast stations on the grounds that we broadcast allegedly indecent programming on our stations. Some policymakers support the extension of the indecency rules that are applicable to over-the-air broadcasters to cover cable programming and/or attempts to increase enforcement of or otherwise expand existing laws and rules. If such an extension, attempt to increase enforcement, or other expansion took place and was found to be constitutional, some of TV One's content could be subject to additional regulation and might not be able to attract the same subscription and viewership levels.

Changes in current federal regulations could adversely affect our business operations.

Congress and the FCC have considered, and may in the future consider and adopt, new laws, regulations and policies that could, directly or indirectly, affect the profitability of our broadcast stations. In particular, Congress may consider and adopt a revocation of terrestrial radio's exemption from paying royalties to performing artists and record companies for use of their recordings (radio already pays a royalty to songwriters, composers and publishers). In addition, commercial radio broadcasters and entities representing artists are negotiating agreements that could result in broadcast stations paying royalties to artists. A requirement to pay additional royalties could have an adverse effect on our business operations and financial performance. Moreover, it is possible that our license fees and negotiating costs associated with obtaining rights to use musical compositions and sound recordings in our programming could sharply increase as a result of private negotiations, one or more regulatory rate-setting processes, or administrative and court decisions. Finally, there has been in the past and there could be again in the future proposed legislation that requires radio broadcasters to pay additional fees such as a spectrum fee for the use of the spectrum. We cannot predict whether such actions will occur.

The television and distribution industries in the United States are highly regulated by U.S. federal laws and regulations issued and administered by various federal agencies, including the FCC. The television broadcasting industry is subject to extensive regulation by the FCC under the Communications Act. The U.S. Congress and the FCC currently have under consideration, and may in the future adopt, new laws, regulations, and policies regarding a wide variety of matters that could, directly or indirectly, affect the operations of our cable television segment. For example, the FCC has initiated a proceeding to examine and potentially regulate more closely embedded advertising such as product placement and product integration. Enhanced restrictions affecting these means of delivering advertising messages may adversely affect our cable television segment's advertising revenues. Changes to the media ownership and other FCC rules may affect the competitive landscape in ways that could increase the competition faced by TV One/CLEO TV. Proposals have also been advanced from time to time before the U.S. Congress and the FCC to extend the program access rules (currently applicable only to those cable program services which also own or are owned by cable distribution systems) to all cable program services. TV One/CLEO TV's ability to obtain the most favorable terms available for its content could be adversely affected should such an extension be enacted into law. We are unable to predict the effect that any such laws, regulations or policies may have on our cable television segment's operations.

New or changing federal, state or international privacy regulation or requirements could hinder the growth of our internet business.

A variety of federal and state laws govern the collection, use, retention, sharing and security of consumer data that our business uses to operate its services and to deliver certain advertisements to its customers, as well as the technologies used to collect such data. Not only are existing privacy-related laws in these jurisdictions evolving and subject to potentially disparate interpretation by governmental entities, new legislative proposals affecting privacy are now pending at both the federal and state level in the U.S. Further, third-party service providers may from time to time change their privacy requirements. Changes to the interpretation of existing law or the adoption of new privacy-related requirements by governments or other businesses could hinder the growth of our business and cause us to incur new and additional costs and expenses. Also, a failure or perceived failure to comply with such laws or requirements or with our own policies and procedures could result in significant liabilities, including a possible loss of consumer or investor confidence or a loss of customers or advertisers.

Our controls and procedures may fail or be circumvented, which may result in a material adverse effect on our business, financial condition and results of operations.

Management regularly reviews and updates our internal controls, disclosure controls and procedures, and corporate governance policies and procedures. Any system of controls, however well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the system are met.

Any failure or circumvention of the controls and procedures or failure to comply with regulations related to controls and procedures could have a material adverse effect on our business, results of operations and financial condition. In the past, we have identified material weaknesses in our internal controls over financial reporting.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. We have remediated our past the material weaknesses, however, our remedial measures to address the material weakness may be insufficient and we may in the future discover areas of our internal controls that need improvement. Failure to maintain effective controls or to timely implement any necessary improvement of our internal and disclosure controls could, among other things, result in losses from errors, harm our reputation, or cause investors to lose confidence in the reported financial information, all of which could have a material adverse effect on our results of operations and financial condition.

Unique Risks Related to Our Cable Television Segment

The loss of affiliation agreements could materially adversely affect our cable television segment's results of operations.

Our cable television segment is dependent upon the maintenance of affiliation agreements with cable and direct broadcast distributors for its revenues, and there can be no assurance that these agreements will be renewed in the future on terms acceptable to such distributors. The loss of one or more of these arrangements could reduce the distribution of TV One's and/or CLEO TV's programming services and reduce revenues from subscriber fees and advertising, as applicable. Further, the loss of favorable packaging, positioning, pricing or other marketing opportunities with any distributor could reduce revenues from subscribers and associated subscriber fees. In addition, consolidation among cable distributors and increased vertical integration of such distributors into the cable or broadcast network business have provided more leverage to these distributors and could adversely affect our cable television segment's ability to maintain or obtain distribution for its network programming on favorable or commercially reasonable terms, or at all. The results of renewals could have a material adverse effect on our cable television segment's revenues and results and operations. We cannot assure you that TV One and/or CLEO TV will be able to renew their affiliation agreements on commercially reasonable terms, or at all. The loss of a significant number of these arrangements or the loss of carriage on basic programming tiers could reduce the distribution of our content, which may adversely affect our revenues from subscriber fees and our ability to sell national and local advertising time.

Changes in consumer behavior resulting from new technologies and distribution platforms may impact the performance of our businesses.

Our cable television segment faces emerging competition from other providers of digital media, some of which have greater financial, marketing and other resources than we do. In particular, content offered over the internet has become more prevalent as the speed and quality of broadband networks have improved. Providers such as Netflix™, Hulu™, Apple™, Amazon™ and Google™, as well as gaming and other consoles such as Microsoft's Xbox™, Sony's PS5™, Nintendo's Wii™, and Roku™, are aggressively establishing themselves as alternative providers of video content and services, including new and independently developed long form video content. Most recently, new online distribution services have emerged offering live sports and other content without paying for a traditional cable bundle of channels. These services and the growing availability of online content, coupled with an expanding market for mobile devices and tablets that allow users to view content on an on-demand basis and internet-connected televisions, may impact our cable television segment's distribution for its services and content. Additionally, devices or services that allow users to view television programs away from traditional cable providers or on a time-shifted basis and technologies that enable users to fast-forward or skip programming, including commercials, such as DVRs and portable digital devices and systems that enable users to store or make portable copies of content, have caused changes in consumer behavior that may affect the attractiveness of our offerings to advertisers and could therefore adversely affect our revenues. If we cannot ensure that our distribution methods and content are responsive to our cable television segment's target audiences, our business could be adversely affected.

Unique Risks Related to Our Capital Structure

Our President and Chief Executive Officer has an interest in TV One that may conflict with your interests.

Pursuant to the terms of employment with our President and Chief Executive Officer, Mr. Alfred C. Liggins, III, in recognition of Mr. Liggins' contributions in founding TV One on our behalf, he is eligible to receive an award amount equal to approximately 4% of any proceeds from distributions or other liquidity events in excess of the return of our aggregate investment in TV One (the "Employment Agreement Award"). Our obligation to pay the award was triggered after our recovery of the aggregate amount of capital contribution in TV One, and payment is required only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event in excess of such invested amount. Mr. Liggins' rights to the Employment Agreement Award (i) cease if he is terminated for cause or he resigns without good reason and (ii) expire at the termination of his employment (but similar rights could be included in the terms of a new employment agreement or arrangement). As a result of this arrangement, the interest of Mr. Liggins' with respect to TV One may conflict with your interests as holders of our debt or equity securities.

Two common stockholders have a majority voting interest in Urban One and have the power to control matters on which our common stockholders may vote, and their interests may conflict with yours.

As of December 31, 2021, our Chairperson and her son, our President and CEO, together held in excess of 75% of the outstanding voting power of our common stock. As a result, our Chairperson and our CEO control our management and policies and decisions involving or impacting upon Urban One, including transactions involving a change of control, such as a sale or merger. The interests of these stockholders may differ from the interests of our other stockholders and our debt holders. In addition, certain covenants in our debt instruments require that our Chairperson and the CEO maintain a specified ownership and voting interest in Urban One, and prohibit other parties' voting interests from exceeding specified amounts. Our Chairperson and the CEO have agreed to vote their shares together in elections of members to the Board of Directors of Urban One.

Further, we are a "controlled company" under rules governing the listing of our securities on the NASDAQ Stock Market because more than 50% of our voting power is held by our Chairperson and the CEO. Therefore, we are not subject to NASDAQ Stock Market listing rules that would otherwise require us to have: (i) a majority of independent directors on the board; (ii) a compensation committee composed solely of independent directors; (iii) a nominating committee composed solely of independent directors; (iv) compensation of our executive officers determined by a majority of the independent directors or a compensation committee composed solely of independent directors; and (v) director nominees selected, or recommended for the board's selection, either by a majority of the independent directors or a nominating committee composed solely of independent directors. While a majority of our board members are currently independent directors, we do not make any assurances that a majority of our board members will be independent directors at any given time.

We are a smaller reporting company and we cannot be certain if the reduced disclosure requirements applicable to our filing status will make our common stock less attractive to investors.

We are a "smaller reporting company" and, thus, have certain decreased disclosure obligations in our SEC filings, including, among other things, simplified executive compensation disclosures and only being required to provide two years of audited financial statements in annual reports. Decreased disclosures in our SEC filings due to our status as a "smaller reporting company" may make it harder for investors to analyze our results of operations and financial prospects and may make our common stock a less attractive investment.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The types of properties required to support each of our radio stations include offices, studios and transmitter/antenna sites. Our other media properties, such as Interactive One, generally only require office space. We typically lease our studio and office space with lease terms ranging from five to 10 years in length. A station's studios are generally housed with its offices in business districts. We generally consider our facilities to be suitable and of adequate size for our current and intended purposes. We lease a majority of our main transmitter/antenna sites and associated broadcast towers and, when negotiating a lease for such sites, we try to obtain a lengthy lease term with options to renew. In general, we do not anticipate difficulties in renewing facility or transmitter/antenna site leases, or in leasing additional space or sites, if required.

We own substantially all of our equipment, consisting principally of transmitting antennae, transmitters, studio equipment and general office equipment. The towers, antennae and other transmission equipment used by our stations are generally in good condition, although opportunities to upgrade facilities are periodically reviewed. The tangible personal property owned by us and the real property owned or leased by us are subject to security interests under our senior credit facility.

ITEM 3. LEGAL PROCEEDINGS

Urban One is involved from time to time in various routine legal and administrative proceedings and threatened legal and administrative proceedings incidental to the ordinary course of our business. Urban One believes the resolution of such matters will not have a material adverse effect on its business, financial condition or results of operations.

ITEM 4. MINE SAFETY DISCLOSURE

Not applicable.

PART II.

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Price Range of Our Class A and Class D Common Stock

Our Class A voting common stock is traded on The NASDAQ Stock Market ("NASDAQ") under the symbol "UONE." The following table presents, for the quarters indicated, the high and low daily closing prices per share of our Class A Common Stock as reported on the NASDAQ.

	High	Low
2021		
First Quarter	$ 8.87	$ 4.16
Second Quarter	$ 20.95	$ 4.56
Third Quarter	$ 9.01	$ 6.40
Fourth Quarter	$ 11.43	$ 4.47
2020		
First Quarter	$ 2.21	$ 1.06
Second Quarter	$ 36.30	$ 1.06
Third Quarter	$ 19.63	$ 3.43
Fourth Quarter	$ 5.78	$ 4.21

Our Class D non-voting common stock is traded on the NASDAQ under the symbol "UONEK." The following table presents, for the quarters indicated, the high and low daily closing prices per share of our Class D Common Stock as reported on the NASDAQ.

	High	Low
2021		
First Quarter	$ 1.98	$ 1.20
Second Quarter	$ 6.45	$ 1.68
Third Quarter	$ 7.07	$ 4.55
Fourth Quarter	$ 7.40	$ 3.15
2020		
First Quarter	$ 2.00	$ 0.87
Second Quarter	$ 4.15	$ 0.63
Third Quarter	$ 2.37	$ 0.85
Fourth Quarter	$ 1.46	$ 0.95

Number of Stockholders

Based upon a survey of record holders and a review of our stock transfer records, as of March 4, 2022, there were approximately 11,923 holders of Urban One's Class A Common Stock, two holders of Urban One's Class B Common Stock, three holders of Urban One's Class C Common Stock, and approximately 5,907 holders of Urban One's Class D Common Stock.

Dividends

Since first selling our common stock publicly in May 1999, we have not declared any cash dividends on any class of our common stock. We intend to retain future earnings for use in our business and do not anticipate declaring or paying any cash or stock dividends on shares of our common stock in the foreseeable future. In addition, any determination to declare and pay dividends will be made by our Board of Directors in light of our earnings, financial position, capital requirements, contractual restrictions contained in our credit facility and the indentures governing our senior subordinated notes, and other factors as the Board of Directors deems relevant. (See Note 9 of our consolidated financial statements — *Long-Term Debt*.)

ITEM 6. SELECTED FINANCIAL DATA

Not required for smaller reporting companies.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following information should be read in conjunction with "Selected Financial Data" and the Consolidated Financial Statements and Notes thereto included elsewhere in this report.

Overview

For the year ended December 31, 2021, consolidated net revenue increased approximately 17.3% compared to the year ended December 31, 2020. For 2022, our strategy will be to: (i) grow market share; (ii) improve audience share in certain markets and improve revenue conversion of strong and stable audience share in certain other markets; and (iii) grow and diversify our revenue by successfully executing our multimedia strategy.

The impact of the COVID pandemic, including the impact of variants and government interventions that limit normal economic activity, competition from digital audio players, the internet, cable television and satellite radio, among other new media outlets, audio and video streaming on the internet, and consumers' increased focus on mobile applications, are some of the reasons our core radio business has seen slow or negative growth over the past few years. In addition to making overall cutbacks, advertisers continue to shift their advertising budgets away from traditional media such as newspapers, broadcast television and radio to new media outlets. Internet companies have evolved from being large sources of advertising revenue for radio companies to being significant competitors for radio advertising dollars. While these dynamics present significant challenges for companies that are focused solely in the radio industry, through our diversified platform, which includes our radio websites, Interactive One and other online verticals, as well as our cable television business, we are poised to provide advertisers and creators of content with a multifaceted way to reach African-American consumers.

Results of Operations

Revenue

Within our core radio business, we primarily derive revenue from the sale of advertising time and program sponsorships to local and national advertisers on our radio stations. Advertising revenue is affected primarily by the advertising rates our radio stations are able to charge, as well as the overall demand for radio advertising time in a market. These rates are largely based upon a radio station's audience share in the demographic groups targeted by advertisers, the number of radio stations in the related market, and the supply of, and demand for, radio advertising time. Advertising rates are generally highest during morning and afternoon commuting hours.

Net revenue consists of gross revenue, net of local and national agency and outside sales representative commissions. Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing.

The following chart shows the percentage of consolidated net revenue generated by each reporting segment.

	For The Year Ended For the Years Ended December 31, 2021	2020
Radio broadcasting segment	31.8 %	34.7 %
Reach Media segment	10.5 %	8.2 %
Digital segment	13.6 %	9.5 %
Cable television segment	44.9 %	48.2 %
Corporate/eliminations	(0.8)%	(0.6)%

The following chart shows the percentages generated from local and national advertising as a subset of net revenue from our core radio business.

	For the Years Ended December 31, 2021	2020
Percentage of core radio business generated from local advertising	59.2 %	53.2 %
Percentage of core radio business generated from national advertising, including network advertising	36.3 %	45.3 %

National and local advertising also includes advertising revenue generated from our digital segment. The balance of net revenue from our radio segment was generated from tower rental income, ticket sales and revenue related to our sponsored events, management fees and other revenue.

The following charts show our net revenue (and sources) for the years ended December 31, 2021 and 2020:

	Year Ended December 31, 2021	Year Ended December 31, 2020	$ Change	% Change
	(Unaudited) (In thousands)			
Net Revenue:				
Radio Advertising	$ 165,244	$ 137,849	$ 27,395	19.9 %
Political Advertising	3,494	22,484	(18,990)	(84.5)
Digital Advertising	59,812	34,131	25,681	75.2
Cable Television Advertising	95,589	79,732	15,857	19.9
Cable Television Affiliate Fees	102,380	99,489	2,891	2.9
Event Revenues & Other	14,943	2,652	12,291	463.5
Net Revenue (as reported)	$ 441,462	$ 376,337	$ 65,125	17.3 %

In the broadcasting industry, radio stations and television stations often utilize trade or barter agreements to reduce cash expenses by exchanging advertising time for goods or services. In order to maximize cash revenue for our spot inventory, we closely manage the use of trade and barter agreements.

Within our digital segment, including Interactive One which generates the majority of the Company's digital revenue, revenue is principally derived from advertising services on non-radio station branded, but Company-owned websites. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized either as impressions (the number of times advertisements appear in viewed pages) are delivered or when "click through" purchases are made, where applicable. In addition, Interactive One derives revenue from its studio operations, in which it provides third-party clients with publishing services including digital platforms and related expertise. In the case of the studio operations, revenue is recognized primarily through fixed contractual monthly fees and/or as a share of the third party's reported revenue.

Our cable television segment generates the Company's cable television revenue, and derives its revenue principally from advertising and affiliate revenue. Advertising revenue is derived from the sale of television air time to advertisers and is recognized when the advertisements are run. Our cable television segment also derives revenue from affiliate fees under the terms of various affiliation agreements based upon a per subscriber fee multiplied by most recent subscriber counts reported by the applicable affiliate.

Reach Media primarily derives its revenue from the sale of advertising in connection with its syndicated radio shows, including the Rickey Smiley Morning Show, the Russ Parr Morning Show and the DL Hughley Show. Reach Media also operates www.BlackAmericaWeb.com, an African-American targeted news and entertainment website. Additionally, Reach Media operates various other event-related activities.

Expenses

Our significant expenses are: (i) employee salaries and commissions; (ii) programming expenses; (iii) marketing and promotional expenses; (iv) rental of premises for office facilities and studios; (v) rental of transmission tower space; (vi) music license royalty fees; and (vii) content amortization. We strive to control these expenses by centralizing certain functions such as finance, accounting, legal, human resources and management information systems and, in certain markets, the programming management function. We also use our multiple stations, market presence and purchasing power to negotiate favorable rates with certain vendors and national representative selling agencies. In addition to salaries and commissions, major expenses for our internet business include membership traffic acquisition costs, software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with internet service provider ("ISP") hosting services and other internet content delivery expenses. Major expenses for our cable television business include content acquisition and amortization, sales and marketing.

We generally incur marketing and promotional expenses to increase and maintain our audiences. However, because Nielsen reports ratings either monthly or quarterly, depending on the particular market, any changed ratings and the effect on advertising revenue tends to lag behind both the reporting of the ratings and the incurrence of advertising and promotional expenditures.

Measurement of Performance

We monitor and evaluate the growth and operational performance of our business using net income and the following key metrics:

(a) *Net revenue*: The performance of an individual radio station or group of radio stations in a particular market is customarily measured by its ability to generate net revenue. Net revenue consists of gross revenue, net of local and national agency and outside sales representative commissions consistent with industry practice. Net revenue is recognized in the period in which advertisements are broadcast. Net revenue also includes advertising aired in exchange for goods and services, which is recorded at fair value, revenue from sponsored events and other revenue. Net revenue is recognized for our online business as impressions are delivered or as "click throughs" are made, where applicable. Net revenue is recognized for our cable television business as advertisements are run, and during the term of the affiliation agreements at levels appropriate for the most recent subscriber counts reported by the affiliate, net of launch support.

(b) *Broadcast and digital operating income*: Net income (loss) before depreciation and amortization, income taxes, interest expense, interest income, noncontrolling interests in income of subsidiaries, other (income) expense, corporate selling, general and administrative expenses, stock-based compensation, impairment of long-lived assets, (gain) loss on retirement of debt and gain on sale-leaseback, is commonly referred to in the radio broadcasting industry as "station operating income." However, given the diverse nature of our business, station operating income is not truly reflective of our multi-media operation and, therefore, we now use the term broadcast and digital operating income. Broadcast and digital operating income is not a measure of financial performance under accounting principles generally accepted in the United States of America ("GAAP"). Nevertheless, broadcast and digital operating income is a significant measure used by our management to evaluate the operating performance of our core operating segments. Broadcast and digital operating income provides helpful information about our results of operations, apart from expenses associated with our fixed and long-lived intangible assets, income taxes, investments, impairment charges, debt financings and retirements, corporate overhead and stock-based compensation. Our measure of broadcast and digital operating income is similar to industry use of station operating income; however, it reflects our more diverse business and therefore is not completely analogous to "station operating income" or other similarly titled measures as used by other companies. Broadcast and digital operating income does not represent operating loss or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as an alternative to those measurements as an indicator of our performance.

(c) *Broadcast and digital operating income margin*: Broadcast and digital operating income margin represents broadcast and digital operating income as a percentage of net revenue. Broadcast and digital operating income margin is not a measure of financial performance under GAAP. Nevertheless, we believe that broadcast and digital operating income margin is a useful measure of our performance because it provides helpful information about our profitability as a percentage of our net revenue. Broadcast and digital operating margin includes results from all four segments (radio broadcasting, Reach Media, digital and cable television).

(d) *Adjusted EBITDA*: Adjusted EBITDA consists of net (loss) income plus (1) depreciation and amortization, income taxes, interest expense, noncontrolling interests in income of subsidiaries, impairment of long-lived assets, stock-based compensation, (gain) loss on retirement of debt, gain on sale-leaseback, employment agreement, incentive plan award expenses and other compensation, contingent consideration from acquisition, severance-related costs, cost method investment income, less (2) other income and interest income. Net income before interest income, interest expense, income taxes, depreciation and amortization is commonly referred to in our business as "EBITDA." Adjusted EBITDA and EBITDA are not measures of financial performance under GAAP. We believe Adjusted EBITDA is often a useful measure of a company's operating performance and is a significant measure used by our management to evaluate the operating performance of our business because Adjusted EBITDA excludes charges for depreciation, amortization and interest expense that have resulted from our acquisitions and debt financing, our taxes, impairment charges, and gain on retirements of debt. Accordingly, we believe that Adjusted EBITDA provides useful information about the operating performance of our business, apart from the expenses associated with our fixed assets and long-lived intangible assets, capital structure or the results of our affiliated company. Adjusted EBITDA is frequently used as one of the measures for comparing businesses in the broadcasting industry, although our measure of Adjusted EBITDA may not be comparable to similarly titled measures of other companies, including, but not limited to the fact that our definition includes the results of all four of our operating segments (radio broadcasting, Reach Media, digital and cable television). Adjusted EBITDA and EBITDA do not purport to represent operating income or cash flow from operating activities, as those terms are defined under GAAP, and should not be considered as alternatives to those measurements as an indicator of our performance.

Non-GAAP Financial Measures

The presentation of non-GAAP financial measures is not intended to be considered in isolation from, as a substitute for, or superior to the financial information prepared and presented in accordance with GAAP. We use non-GAAP financial measures as a means to evaluate period-to-period comparisons. Reconciliations of our non-GAAP financial measures to the most directly comparable GAAP financial measures are included below for review. Reliance should not be placed on any single financial measure to evaluate our business.

Summary of Performance

The table below provides a summary of our performance based on the metrics described above:

	For the Years Ended December 31,	
	2021	2020
	(In thousands, except margin data)	
Net revenue	$ 441,462	$ 376,337
Broadcast and digital operating income	179,234	163,891
Broadcast and digital operating income margin	40.6 %	43.5 %
Adjusted EBITDA	150,222	138,018
Net income (loss) attributable to common stockholders	38,352	(8,113)

The reconciliation of net income to broadcast and digital operating income is as follows:

	For the Years Ended December 31,	
	2021	2020
	(In thousands)	
Consolidated net income (loss) attributable to common stockholders	$ 38,352	$ (8,113)
Add back non-broadcast and digital operating income items included in consolidated net income (loss):		
Interest income	(218)	(213)
Interest expense	65,702	74,507
Provision for (benefit from) income taxes	13,577	(34,476)
Corporate selling, general and administrative, excluding stock-based compensation	50,837	35,860
Stock-based compensation	565	2,294
Loss on retirement of debt	6,949	2,894
Other income, net	(8,134)	(4,547)
Depreciation and amortization	9,289	9,741
Noncontrolling interests in income of subsidiaries	2,315	1,544
Impairment of long-lived assets	—	84,400
Broadcast and digital operating income	$ 179,234	$ 163,891

The reconciliation of net (loss) income to adjusted EBITDA is as follows:

	For the Years Ended December 31,	
	2021	2020
	(In thousands)	
Adjusted EBITDA reconciliation:		
Consolidated net income (loss) attributable to common stockholders, as reported	$ 38,352	$ (8,113)
Add back non-broadcast and digital operating income items included in consolidated net income (loss):		
Interest income	(218)	(213)
Interest expense	65,702	74,507
Provision for (benefit from) income taxes	13,577	(34,476)
Depreciation and amortization	9,289	9,741
EBITDA	$ 126,702	$ 41,446
Stock-based compensation	565	2,294
Loss on retirement of debt	6,949	2,894
Other income, net	(8,134)	(4,547)
Noncontrolling interests in income of subsidiaries	2,315	1,544
Casino chase costs	6,727	—
Employment Agreement Award, incentive plan award expenses and other compensation	6,163	2,271
Contingent consideration from acquisition	280	46
Severance-related costs	965	2,800
Impairment of long-lived assets	—	84,400
Cost method investment income from MGM National Harbor	7,690	4,870
Adjusted EBITDA	$ 150,222	$ 138,018

URBAN ONE, INC. AND SUBSIDIARIES
RESULTS OF OPERATIONS

The following table summarizes our historical consolidated results of operations:

Year Ended December 31, 2021 Compared to Year Ended December 31, 2020 (In thousands)

	Year Ended December 31, 2021	Year Ended December 31, 2020	Increase/(Decrease)	
Statements of Operations:				
Net revenue	$ 441,462	$ 376,337	$ 65,125	17.3 %
Operating expenses:				
Programming and technical, excluding stock-based compensation	119,072	103,813	15,259	14.7
Selling, general and administrative, excluding stock-based compensation	143,156	108,633	34,523	31.8
Corporate selling, general and administrative, excluding stock-based compensation	50,837	35,860	14,977	41.8
Stock-based compensation	565	2,294	(1,729)	(75.4)
Depreciation and amortization	9,289	9,741	(452)	(4.6)
Impairment of long-lived assets	—	84,400	(84,400)	(100.0)
Total operating expenses	322,919	344,741	(21,822)	(6.3)
Operating income	118,543	31,596	86,947	275.2
Interest income	218	213	5	2.3
Interest expense	65,702	74,507	(8,805)	(11.8)
Loss on retirement of debt	6,949	2,894	4,055	140.1
Other income, net	(8,134)	(4,547)	3,587	78.9
Income (loss) before provision for (benefit from) income taxes and noncontrolling interests in income of subsidiaries	54,244	(41,045)	95,289	232.2
Provision for (benefit from) income taxes	13,577	(34,476)	48,053	139.4
Consolidated net income (loss)	40,667	(6,569)	47,236	719.1
Noncontrolling interests in income of subsidiaries	2,315	1,544	771	49.9
Net income (loss) attributable to common stockholders	$ 38,352	$ (8,113)	$ 46,465	572.7 %

Net revenue

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ 441,462	$ 376,337	$ 65,125	17.3 %

During the year ended December 31, 2021, we recognized approximately $441.5 million in net revenue compared to approximately $376.3 million during the year ended December 31, 2020. These amounts are net of agency and outside sales representative commissions. The increase in net revenue was due primarily to mitigation of the economic impacts of the COVID-19 pandemic which began in March 2020 and to increased demand for minority focused media. Net revenues from our radio broadcasting segment for the year ended December 31, 2021, increased 7.4% from the same period in 2020. Based on reports prepared by the independent accounting firm Miller, Kaplan, Arase & Co., LLP ("Miller Kaplan"), the radio markets we operate in (excluding Richmond and Raleigh, both of which no longer participate in Miller Kaplan) increased 18.4% in total revenues for the year ended December 31, 2021, consisting of an increase of 14.0% in local revenues, an increase of 8.2% in national revenues, and an increase of 51.1% in digital revenues. With the exception of our Philadelphia, Raleigh and St. Louis (which we exited in 2021) markets, we experienced net revenue improvements in all of our radio markets, primarily due to higher advertising sales. Net revenue excluding political, from our radio broadcasting segment increased 19.7% compared to the same period in 2020. Net revenue for our Reach Media segment increased 49.8% for the year ended December 31, 2021, compared to the same period in 2020, due primarily to increased demand and the reinstatement of our cruise during the fourth quarter of 2021. The cruise was postponed from 2020 due to the pandemic. We recognized approximately $198.2 million from our cable television segment for the year ended December 31, 2021, compared to approximately $181.6 million of revenue for the same period in 2020, with the increase due primarily to both increased advertising and affiliate sales. Net revenue from our digital segment increased approximately $24.3 million for the year ended December 31, 2021, compared to the same period in 2020 due primarily to stronger direct revenues.

Operating expenses

Programming and technical, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ 119,072	$ 103,813	$ 15,259	14.7 %

Programming and technical expenses include expenses associated with on-air talent and the management and maintenance of the systems, tower facilities, and studios used in the creation, distribution and broadcast of programming content on our radio stations. Programming and technical expenses for the radio segment also include expenses associated with our programming research activities and music royalties. For our digital segment, programming and technical expenses include software product design, post-application software development and maintenance, database and server support costs, the help desk function, data center expenses connected with ISP hosting services and other internet content delivery expenses. For our cable television segment, programming and technical expenses include expenses associated with technical, programming, production, and content management. The increase in programming and technical expenses for the year ended December 31, 2021, compared to the same period in 2020 is primarily due to higher expenses at all our segments. Our radio broadcasting segment experienced an increase of approximately $2.8 million for the year ended December 31, 2021, compared to the same period in 2020 due primarily to higher compensation costs and music licensing fees. Our Reach Media segment experienced an increase of approximately $2.0 million for the year ended December 31, 2021, compared to the same period in 2020 due primarily to higher contract labor and compensation costs. Our digital segment experienced an increase of approximately $1.3 million for the year ended December 31, 2021, compared to the same period in 2020 due primarily to higher contract labor, consulting and compensation costs. Our cable television segment experienced an increase of approximately $9.2 million for the year ended December 31, 2021, compared to the same period in 2020 due primarily to higher content amortization expense.

Selling, general and administrative, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ 143,156	$ 108,633	$ 34,523	31.8 %

Selling, general and administrative expenses include expenses associated with our sales departments, offices and facilities and personnel (outside of our corporate headquarters), marketing and promotional expenses, special events and sponsorships and back office expenses. Expenses to secure ratings data for our radio stations and visitors' data for our websites are also included in selling, general and administrative expenses. In addition, selling, general and administrative expenses for the radio broadcasting segment and digital segment include expenses related to the advertising traffic (scheduling and insertion) functions. Selling, general and administrative expenses also include membership traffic acquisition costs for our online business. The increase in expense for the year ended December 31, 2021, compared to the same period in 2020, is primarily due to higher compensation costs and special event costs, higher commissions and national representative fees due to improved revenue and higher promotional expenses and travel and entertainment spending. Our radio broadcasting segment experienced an increase of approximately $4.6 million for the year ended December 31, 2021, compared to the same period in 2020 primarily due to higher compensation costs, national representative fees, special event costs and promotional spending. Our Reach Media segment experienced an increase of approximately $8.3 million for the year ended December 31, 2021, compared to the same period in 2020, primarily due to the operation of Tom Joyner Foundation's Fantastic Voyage® and higher affiliate station costs. Our cable television segment experienced an increase of approximately $10.7 million for the year ended December 31, 2021, compared to the same period in 2020 primarily due to higher promotional and advertising expenses, compensation costs and research expenses. Our digital segment experienced an increase of approximately $11.9 million for the year ended December 31, 2021 compared to the same period in 2020, primarily due to higher compensation costs, higher traffic acquisition costs and web services fees.

Corporate selling, general and administrative, excluding stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ 50,837	$ 35,860	$ 14,977	41.8 %

Corporate expenses consist of expenses associated with our corporate headquarters and facilities, including personnel as well as other corporate overhead functions. The increase in expense was primarily due to an increase in professional fees related to corporate development activities in connection with potential gaming investments and other similar business activities as well as an increase in compensation costs.

Stock-based compensation

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ 565	$ 2,294	$ (1,729)	(75.4)%

The decrease in stock-based compensation for the year ended December 31, 2021, compared to the same period in 2020, is primarily due to fewer grants and vesting of stock awards for certain executive officers and other management personnel.

Depreciation and amortization

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ 9,289	$ 9,741	$ (452)	(4.6)%

The decrease in depreciation and amortization expense for the year ended December 31, 2020, was due to the mix of assets approaching or near the end of their useful lives.

Impairment of long-lived assets

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ —	$ 84,400	$ (84,400)	(100.0)%

The impairment of long-lived assets for the year ended December 31, 2020, was related to a non-cash impairment charge of approximately $15.9 million recorded to reduce the carrying value of our Atlanta market and Indianapolis market goodwill balances and a charge of approximately $68.5 million associated with our Atlanta, Cincinnati, Dallas, Houston, Indianapolis, Philadelphia, Raleigh, Richmond and St. Louis radio market broadcasting licenses.

Interest expense

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ 65,702	$ 74,507	$ (8,805)	(11.8)%

Interest expense decreased to approximately $65.7 million for the year ended December 31, 2021, compared to approximately $74.5 million for the same period in 2020, due to lower overall debt balances outstanding and lower average interest rates. As discussed above, on January 25, 2021, the Company closed on a new financing in the form of the 2028 Notes. The proceeds from the 2028 Notes were used to repay in full each of: (1) the 2017 Credit Facility; (2) the 2018 Credit Facility; (3) the MGM National Harbor Loan; (4) the remaining amounts of our 7.375% Notes; and (5) our 8.75% Notes that were issued in the November 2020 Exchange Offer.

Loss on retirement of debt

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ 6,949	$ 2,894	$ 4,055	140.1 %

As discussed above, upon settlement of the 2028 Notes Offering, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged. There was a net loss on retirement of debt of approximately $6.9 million for the year ended December 31, 2021 associated with the settlement of the 2028 Notes. On November 9, 2020, we completed an exchange (the “November 2020 Exchange Offer”) of 99.15% of our outstanding 7.375% Senior Secured Notes due 2022 (the “7.375% Notes”) for $347 million aggregate principal amount of newly issued 8.75% Senior Secured Notes due December 2022 (the “8.75% Notes”). There was a net loss on retirement of debt of approximately $2.9 million for the year ended December 31, 2020 associated with the November 2020 Exchange Offer.

Other income, net

Year Ended December 31,		Increase/(Decrease)	
2021	2020		
$ (8,134)	$ (4,547)	$ 3,587	78.9 %

Other income, net, increased to approximately $8.1 million for the year ended December 31, 2021, compared to approximately $4.5 million for the same period in 2020. We recognized other income in the amount of approximately $7.7 million and $4.9 million, for the years ended December 31, 2021 and 2020, respectively, related to our MGM investment.

Provision for (benefit from) income taxes

Year Ended December 31,				Increase/(Decrease)	
2021		2020			
$	13,577	$	(34,476)	$ 48,053	139.4 %

During the year ended December 31, 2021, the provision for income tax was approximately $13.6 million compared to a tax benefit of approximately $34.5 million for the year ended December 31, 2020. The increase in the provision for income taxes was primarily due to the Company's change in pre-tax loss to pre-tax income during the period. For the year ended December 31, 2020, the benefit consisted of deferred tax benefit of approximately $35.0 million and current tax expense of $552,000. The provision resulted in an effective tax rate of 25.0% and 84.0% for the years ended December 31, 2021 and 2020, respectively. The 2021 and 2020 annual effective tax rates primarily reflect taxes at statutory tax rates, the impact of permanent tax adjustments, and the valuation allowance release related to the realizability of certain of the Company's net operating losses.

Noncontrolling interests in income of subsidiaries

Year Ended December 31,				Increase/(Decrease)	
2021		2020			
$	2,315	$	1,544	$ 771	49.9 %

The increase in noncontrolling interests in income of subsidiaries was primarily due to higher net income recognized by Reach Media for the year ended December 31, 2021, versus the same period in 2020.

Other Data

Broadcast and digital operating income

Broadcast and digital operating income increased to approximately $179.2 million for the year ended December 31, 2021, compared to approximately $163.9 million for the year ended December 31, 2020, an increase of approximately $15.3 million or 9.4%. This increase was due to higher broadcast and digital operating income in our radio broadcasting, Reach Media, and digital segments, which was partially offset by a decrease in broadcast and digital operating income at our cable television segment. Our radio broadcasting segment generated approximately $42.0 million of broadcast and digital operating income during the year ended December 31, 2021, compared to approximately $39.8 million during the year ended December 31, 2020, an increase of approximately $2.2 million. The increase was primarily due to higher net revenues, partially offset by higher expenses. Reach Media generated approximately $17.0 million of broadcast and digital operating income during the year ended December 31, 2021, compared to approximately $11.8 million during the year ended December 31, 2020, primarily due to higher net revenues, partially offset by higher expenses. Our digital segment generated approximately $17.2 million of broadcast and digital operating income during the year ended December 31, 2021, compared to approximately $6.0 million of broadcast and digital operating income during the year ended December 31, 2020. The increase in our digital segment's broadcast and digital operating income is primarily due to an increase in net revenues, partially offset by increased expense. Finally, TV One generated approximately $103.0 million of broadcast and digital operating income during the year ended December 31, 2021, compared to approximately $106.3 million during the year ended December 31, 2020, with the decrease due primarily to increased expenses.

Broadcast and digital operating income margin

Broadcast and digital operating income margin decreased to 40.6% for the year ended December 31, 2021, from 43.5% for 2020. The margin decrease was primarily attributable to higher expenses as described above.

Liquidity and Capital Resources

Our primary source of liquidity is cash provided by operations and, to the extent necessary, borrowings available under our asset-backed credit facility. The Company's cash, cash equivalents and restricted cash balance is approximately $152.2 million as of December 31, 2021.

Throughout each of 2020 and 2021, the COVID-19 pandemic had a negative impact on certain of our revenue and alternative revenue sources. Most notably, a number of advertisers across a variety of significant advertising categories ceased operations or reduced their advertising spend due to the pandemic. This has been particularly true within our radio segment which derives substantial revenue from local advertisers, including in areas such as Texas, Ohio and Georgia. The economies in these areas were hit particularly hard due to social distancing and government interventions. Further, the COVID-19 pandemic has caused a shift in the way people work and commute, which in some instances has altered demand for our broadcast radio advertising. Finally, the COVID-19 outbreak caused the postponement of or cancellation of our tent pole special events or otherwise impaired or limited ticket sales for such events. We do not carry business interruption insurance to compensate us for losses that occurred as a result of the pandemic and such losses may continue to occur as a result of the ongoing nature of the COVID-19 pandemic. Outbreaks in the markets in which we operate could have material impacts on our liquidity, operations including potential impairment of assets, and our financial results. Likewise, our income from our investment in MGM National Harbor Casino has at times been negatively affected by closures and limitations on occupancy imposed by state and local governmental authorities.

We anticipate continued fluctuations in revenues due to the COVID-19 pandemic. The extent to which our results continue to be affected by the COVID-19 pandemic will largely depend on future developments, which cannot be accurately predicted and are uncertain. These developments include, but are not limited to, the duration, scope and severity of the COVID-19 pandemic, any additional resurgences, variants or new viruses; the ability to effectively and widely manufacture and distribute vaccines/boosters; the public's perception of the safety of the vaccines/boosters and the public's willingness to take the vaccines/boosters; the effect of the COVID-19 pandemic on our customers and the ability of our clients to meet their payment terms; the public's willingness to attend live events; and the pace of recovery when the pandemic subsides.

During the height of the COVID-19 pandemic in 2020, we proactively implemented certain cost-cutting measures including furloughs, layoffs, salary reductions, other expense reduction (including eliminating travel and entertainment expenses), eliminating merit raises, decreasing or deferring marketing spend, deferring programming/production costs, reducing special events costs, and implementing a hiring freeze on open positions. The Company performed a complete reforecast of its anticipated results extending through one year from the date of issuance of the consolidated financial statements. Further, out of an abundance of caution and to provide for further liquidity given the uncertainty around the pandemic, we drew approximately $27.5 million on our asset-backed credit facility on March 19, 2020. As operating conditions improved throughout the year, we were able to accumulate cash and all amounts outstanding under our asset-backed credit facility were repaid on December 22, 2020. As of December 31, 2021, no amounts were outstanding on our current facility. Further, as we refinanced our debt structure in January 2021, we anticipate meeting our debt service requirements and obligations for the foreseeable future, including through one year from the date of issuance of our most recent consolidated financial statements. Our estimates however, remain subject to substantial uncertainty, in particular due to the unpredictable extent and duration of the impact of the COVID-19 pandemic on our business and the economy generally, the possibility of new variants of the coronavirus and the concentration of certain of our revenues in areas that could be deemed "hotspots" for the pandemic.

On August 18, 2020, the Company entered into an Open Market Sales Agreement with Jefferies LLC ("Jefferies") under which the Company sold shares of its Class A common stock, par value $0.001 per share (the "Class A Shares") up to an aggregate offering price of $25 million (the "2020 ATM Program"). Jefferies acted as sales agent for the 2020 ATM Program. During the year ended December 31, 2020, the Company issued 2,859,276 shares of its Class A Shares at a weighted average price of $5.39 for approximately $14.7 million of net proceeds after associated fees and expenses.

On January 19, 2021, the Company completed its 2020 ATM Program, sold an additional 1,465,825 shares for an aggregate of 4,325,102 Class A shares sold through the 2020 ATM Program, receiving aggregate gross proceeds of approximately $25.0 million and net proceeds of approximately $24.0 million for the program (inclusive of the $14.7

million sold during the year ended December 31, 2020). On January 27, 2021, the Company entered into a new 2021 Open Market Sale Agreement (the "2021 Sale Agreement") with Jefferies under which the Company could sell up to an additional $25.0 million of Class A Shares, through Jefferies as its sales agent. During the three months ended March 31, 2021, the Company issued and sold an aggregate of 420,439 Class A Shares pursuant to the 2021 Sale Agreement and received gross proceeds of approximately $3.0 million and net proceeds of approximately $2.8 million, after deducting commissions to Jefferies and other offering expenses. During the three months ended June 30, 2021, the Company issued and sold an aggregate of 1,893,126 Class A Shares pursuant to the 2021 Sale Agreement and received gross proceeds of approximately $22.0 million and net proceeds of approximately $21.2 million, after deducting commissions to Jefferies and other offering expenses which completed its 2021 ATM Program.

On May 17, 2021, the Company entered into an Open Market Sale Agreement℠ (the "Class D Sale Agreement") with Jefferies under which the Company may offer and sell, from time to time at its sole discretion, shares of its Class D common stock, par value $0.001 per share (the "Class D Shares"), through Jefferies as its sales agent. On May 17, 2021, the Company filed a prospectus supplement pursuant to the Class D Sale Agreement for the offer and sale of its Class D Shares having an aggregate offering price of up to $25.0 million. As of December 31, 2021, the Company has not sold any Class D Shares under the Class D Sale Agreement. The Company may from time to time also enter into new additional ATM programs and issue additional common stock from time to time under those programs.

On January 25, 2021, the Company closed on an offering (the "2028 Notes Offering") of $825 million in aggregate principal amount of senior secured notes due 2028 (the "2028 Notes") in a private offering exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"). The 2028 Notes are general senior secured obligations of the Company and are guaranteed on a senior secured basis by certain of the Company's direct and indirect restricted subsidiaries. The 2028 Notes mature on February 1, 2028 and interest on the Notes accrues and is payable semi-annually in arrears on February 1 and August 1 of each year, commencing on August 1, 2021 at the rate of 7.375% per annum.

The Company used the net proceeds from the 2028 Notes, together with cash on hand, to repay or redeem: (1) the 2017 Credit Facility; (2) the 2018 Credit Facility; (3) the MGM National Harbor Loan; (4) the remaining amounts of our 7.375% Notes; and (5) our 8.75% Notes that were issued in the November 2020 Exchange Offer. Upon settlement of the 2028 Notes Offering, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged.

The 2028 Notes and the guarantees are secured, subject to permitted liens and except for certain excluded assets (i) on a first priority basis by substantially all of the Company's and the Guarantors' current and future property and assets (other than accounts receivable, cash, deposit accounts, other bank accounts, securities accounts, inventory and related assets that secure our asset-backed revolving credit facility on a first priority basis (the "ABL Priority Collateral")), including the capital stock of each guarantor (collectively, the "Notes Priority Collateral") and (ii) on a second priority basis by the ABL Priority Collateral.

On February 19, 2021, the Company closed on a new asset backed credit facility (the "Current 2021 ABL Facility"). The Current 2021 ABL Facility is governed by a credit agreement by and among the Company, the other borrowers party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent. The Current 2021 ABL Facility provides for up to $50 million revolving loan borrowings in order to provide for the working capital needs and general corporate requirements of the Company. The Current 2021 ABL Facility also provides for a letter of credit facility up to $5 million as a part of the overall $50 million in capacity. The Asset Backed Senior Credit Facility entered into on April 21, 2016 among the Company, the lenders party thereto from time to time and Wells Fargo Bank National Association, as administrative agent (the "2016 ABL Facility"), was terminated on February 19, 2021.

At the Company's election, the interest rate on borrowings under the Current 2021 ABL Facility are based on either (i) the then applicable margin relative to Base Rate Loans (as defined in the Current 2021 ABL Facility) or (ii) the then applicable margin relative to LIBOR Loans (as defined in the Current 2021 ABL Facility) corresponding to the average availability of the Company for the most recently completed fiscal quarter.

Advances under the Current 2021 ABL Facility are limited to (a) eighty-five percent (85%) of the amount of Eligible Accounts (as defined in the Current 2021 ABL Facility), less the amount, if any, of the Dilution Reserve (as defined in the Current 2021 ABL Facility), minus (b) the sum of (i) the Bank Product Reserve (as defined in the Current 2021 ABL Facility), plus (ii) the AP and Deferred Revenue Reserve (as defined in the Current 2021 ABL Facility), plus (iii) without duplication, the aggregate amount of all other reserves, if any, established by Administrative Agent.

All obligations under the Current 2021 ABL Facility are secured by first priority lien on all (i) deposit accounts (related to accounts receivable), (ii) accounts receivable, and (iii) all other property which constitutes ABL Priority Collateral (as defined in the Current 2021 ABL Facility). The obligations are also guaranteed by all material restricted subsidiaries of the Company.

The Current 2021 ABL Facility matures on the earliest of: the earlier to occur of (a) the date that is five (5) years from the effective date of the Current 2021 ABL Facility and (b) 91 days prior to the maturity of the Company's 2028 Notes.

Finally, the Current 2021 ABL Facility is subject to the terms of the Revolver Intercreditor Agreement (as defined in the Current 2021 ABL Facility) by and among the Administrative Agent and Wilmington Trust, National Association.

On January 29, 2021, the Company submitted an application for participation in the second round of the Paycheck Protection Program loan program ("PPP"). On June 1, 2021, the Company received proceeds of approximately $7.5 million. The loan bears interest at a fixed rate of 1% per year and will not be changed during the life of the loan. The loan matures June 1, 2026. The Company is in the process of applying for loan forgiveness. While certain of the PPP loans may be forgivable, until they are repaid or forgiven, the loan amount may constitute debt under the 2028 Notes and increase the Company's leverage.

See Note 9 to our consolidated financial statements — *Long-Term Debt* for further information on liquidity and capital resources.

The following table summarizes the interest rates in effect with respect to our debt as of December 31, 2021:

Type of Debt	**Amount Outstanding (In millions)**	**Applicable Interest Rate**
7.375% Senior Secured Notes, net of issuance costs (fixed rate)	811.1	7.375 %
PPP Loan	7.5	1.0
Asset-backed credit facility (variable rate)(1)	—	— %

(1) Subject to variable LIBOR or Prime plus a spread that is incorporated into the applicable interest rate.

The following table provides a comparison of our statements of cash flows for the years ended December 31, 2021 and 2020:

	2021	**2020**
	(In thousands)	
Net cash flows provided by operating activities	$ 80,150	$ 73,867
Net cash flows provided by (used in) investing activities	1,714	(3,413)
Net cash flows used in financing activities	(3,504)	(30,142)

Net cash flows provided by operating activities were approximately $80.2 million and $73.9 million for the years ended December 31, 2021 and 2020, respectively. Cash flow from operating activities for the year ended December 31, 2021, increased from the prior year primarily due to timing of payments. Cash flows from operations, cash and cash equivalents, and other sources of liquidity are expected to be available and sufficient to meet foreseeable cash requirements.

Net cash flows provided by investing activities were approximately $1.7 million for the year ended December 31, 2021 and net cash flows used in investing activities were $3.4 million for the year ended December 31, 2020. Capital expenditures, including digital tower and transmitter upgrades, and deposits for station equipment and purchases were approximately $6.3 million and $3.8 million for the years ended December 31, 2021 and 2020, respectively. We took ownership of WQMC-LD on February 24, 2020 for total consideration of $475,000 and we also sold property for proceeds of $860,000 for the year ended December 31, 2020. The Company received approximately $8.0 million in consideration for the assets sold to Gateway during the year ended December 31, 2021.

Net cash flows used in financing activities were approximately $3.5 million and $30.1 million for the years ended December 31, 2021 and 2020, respectively. During the years ended December 31, 2021 and 2020, the Company repaid approximately $855.2 million and $40.5 million, respectively, in outstanding debt. During the years ended December 31, 2021 and 2020, we repurchased $970,000 and approximately $3.6 million of our Class A and Class D Common Stock, respectively. Reach Media paid approximately $2.4 million and $2.8 million, respectively in dividends to noncontrolling interest shareholders for the years ended December 31, 2021 and 2020. During the year ended December 31, 2021, we borrowed approximately $825.0 million on our 2028 Notes. The Company also received approximately $7.5 million in connection with its PPP Loan during the year ended December 31, 2021. During the year ended December 31, 2020, we borrowed approximately $3.6 million on the MGM National Harbor Loan. During the years ended December 31, 2021 and 2020, we paid approximately $11.2 million and $3.5 million, respectively, in debt refinancing costs. During the years ended December 31, 2021 and 2020, we received proceeds of $397,000 and approximately $2.0 million, respectively, from the exercise of stock options. Finally, the Company received proceeds of approximately $33.3 million and $14.7 million, from the issuance of Class A Common Stock, net of fees paid during the years ended December 31, 2021 and 2020, respectively.

Credit Rating Agencies

On a continuing basis, Standard and Poor’s, Moody’s Investor Services and other rating agencies may evaluate our indebtedness in order to assign a credit rating. Our corporate credit ratings by Standard & Poor’s Rating Services and Moody’s Investors Service are speculative-grade and have been downgraded and upgraded at various times during the last several years. Any reductions in our credit ratings could increase our borrowing costs, reduce the availability of financing to us or increase our cost of doing business or otherwise negatively impact our business operations.

Recent Accounting Pronouncements

See Note 1 of our consolidated financial statements — *Organization and Summary of Significant Accounting Policies* for a summary of recent accounting pronouncements.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our accounting policies are described in Note 1 of our consolidated financial statements – *Organization and Summary of Significant Accounting Policies*. We prepare our consolidated financial statements in conformity with GAAP, which require us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. We consider the following policies and estimates to be most critical in understanding the judgments involved in preparing our financial statements and the uncertainties that could affect our results of operations, financial condition and cash flows.

Stock-Based Compensation

The Company accounts for stock-based compensation for stock options and restricted stock grants in accordance with ASC 718, *“Compensation - Stock Compensation.”* Under the provisions of ASC 718, stock-based compensation cost for stock options is estimated at the grant date based on the award’s fair value as calculated by the Black-Scholes valuation option-pricing model (“BSM”) and is recognized as expense, less estimated forfeitures, ratably over the requisite service period. The BSM incorporates various highly subjective assumptions including expected stock price volatility, for which historical data is heavily relied upon, expected life of options granted, forfeiture rates and interest rates. If any of the assumptions used in the BSM model change significantly, stock-based compensation expense may differ materially in the future from that previously recorded. Compensation expense for restricted stock grants is measured based on the fair value on the date of grant less estimated forfeitures. Compensation expense for restricted stock grants is recognized ratably during the vesting period. The fair value measurement objective for liabilities incurred in a share-based payment transaction is the same as for equity instruments. Awards classified as liabilities are subsequently remeasured to their fair values at the end of each reporting period until the liability is settled.

Goodwill and Radio Broadcasting Licenses

Impairment Testing

We have made several acquisitions in the past for which a significant portion of the purchase price was allocated to radio broadcasting licenses and goodwill. Goodwill exists whenever the purchase price exceeds the fair value of tangible and identifiable intangible net assets acquired in business combinations. As of December 31, 2021, we had approximately $505.2 million in broadcast licenses and $223.4 million in goodwill, which totaled $728.6 million, and represented approximately 57.8% of our total assets. Therefore, we believe estimating the fair value of goodwill and radio broadcasting licenses is a critical accounting estimate because of the significance of their carrying values in relation to our total assets. There was no impairment recorded for the year ended December 31, 2021 and for the year ended December 31, 2020, we recorded impairment charges against radio broadcasting licenses and goodwill, collectively, of approximately $84.4 million. Significant impairment charges have been an on-going trend experienced by media companies in general, and are not unique to us.

We test for impairment annually across all reporting units, or when events or changes in circumstances or other conditions suggest impairment may have occurred in any given reporting unit. Our annual impairment testing is performed as of October 1 of each year. Impairment exists when the carrying value of these assets exceeds its respective fair value. When the carrying value exceeds fair value, an impairment amount is charged to operations for the excess.

Valuation of Broadcasting Licenses

We utilize the services of a third-party valuation firm to assist us in estimating the fair value of our radio broadcasting licenses and reporting units. Fair value is estimated to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. We use the income approach to test for impairment of radio broadcasting licenses. A projection period of 10 years is used, as that is the time horizon in which operators and investors generally expect to recover their investments. When evaluating our radio broadcasting licenses for impairment, the testing is done at the unit of accounting level as determined by ASC 350, *"Intangibles - Goodwill and Other."* In our case, each unit of accounting is a cluster of radio stations into one of our geographical markets. Broadcasting license fair values are based on the discounted future cash flows of the applicable unit of accounting assuming an initial hypothetical start-up operation which possesses FCC licenses as the only asset. Over time, it is assumed the operation acquires other tangible assets such as advertising and programming contracts, employment agreements and going concern value, and matures into an average performing operation in a specific radio market. The income approach model incorporates several variables, including, but not limited to: (i) radio market revenue estimates and growth projections; (ii) estimated market share and revenue for the hypothetical participant; (iii) likely media competition within the market; (iv) estimated start-up costs and losses incurred in the early years; (v) estimated profit margins and cash flows based on market size and station type; (vi) anticipated capital expenditures; (vii) estimated future terminal values; (viii) an effective tax rate assumption; and (ix) a discount rate based on the weighted-average cost of capital for the radio broadcast industry. In calculating the discount rate, we considered: (i) the cost of equity, which includes estimates of the risk-free return, the long-term market return, small stock risk premiums and industry beta; (ii) the cost of debt, which includes estimates for corporate borrowing rates and tax rates; and (iii) estimated average percentages of equity and debt in capital structures.

We did not identify any impairment indicators at any of our reportable segments for the year ended December 31, 2021. We performed our annual impairment testing and no impairment was identified.

Beginning in March 2020, the Company observed that the COVID-19 pandemic and the resulting government stay at home orders were dramatically impacting certain of the Company's revenues. Most notably, a number of advertisers across significant advertising categories had reduced or ceased advertising spend due to the outbreak and stay at home orders which effectively shut many businesses down in the markets in which we operate. This was particularly true within our radio segment which derives substantial revenue from local advertisers who had been particularly hard hit due to social distancing and government interventions.

As a result of COVID-19, the total market revenue growth for certain markets in which we operate was below that assumed in our annual impairment testing. During the first quarter of 2020, the Company recorded a non-cash impairment charge of approximately $5.9 million to reduce the carrying value of our Atlanta market and Indianapolis market goodwill balances and the Company recorded a non-cash impairment charge of approximately $47.7 million associated with our Atlanta, Cincinnati, Dallas, Houston, Indianapolis, Philadelphia, Raleigh, Richmond and St. Louis radio market broadcasting licenses. We did not identify any impairment indicators for the three months ended June 30, 2020. Based on market data obtained by the Company in the third quarter of 2020, the total anticipated market revenue growth for certain markets in which we operate continued to be below that assumed in our first quarter impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of certain markets' radio broadcasting licenses, which we performed as of September 30, 2020. As a result of that testing, the Company recorded a non-cash impairment charge of approximately $10.0 million related to its Atlanta market and Indianapolis market goodwill balances and the Company recorded a non-cash impairment charge of approximately $19.1 million for the three months ended September 30, 2020 associated with our Atlanta, Cincinnati, Dallas, Houston, Indianapolis, Philadelphia and Raleigh market radio broadcasting licenses. As part of our annual testing for the year ended December 31, 2020, there was no additional impairment identified; however we recorded an impairment charge of approximately $1.7 million associated with the asset sale consideration for one of our St. Louis radio broadcasting licenses for that period.

Valuation of Goodwill

The impairment testing of goodwill is performed at the reporting unit level. We had 16 reporting units as of our October 2021 annual impairment assessment, consisting of each of the 13 radio markets within the radio division and each of the other three business divisions. In testing for the impairment of goodwill, we primarily rely on the income approach. The approach involves a 10-year model with similar variables as described above for broadcasting licenses, except that the discounted cash flows are based on the Company's estimated and projected market revenue, market share and operating performance for its reporting units, instead of those for a hypothetical participant. We use a 5-year model for our Reach Media reporting unit. We evaluate all events and circumstances on an interim basis to determine if an impairment indicator is present and also perform annual testing by comparing the fair value of the reporting unit with its carrying amount. We recognize an impairment charge to operations in the amount that the reporting unit's carrying value exceeds its fair value. The impairment charge recognized cannot exceed the total amount of goodwill allocated to the reporting unit.

As noted above, we did not identify any impairment indicators at any of our reportable segments for the year ended December 31, 2021. Also as noted above, during the first and third quarters of 2020 due to the COVID-19 pandemic, we identified impairment indicators at certain of our radio markets, and, as such, we performed an interim analysis for certain radio market goodwill. During the three months ended March 31, 2020, the Company recorded a non-cash impairment charge of approximately $5.9 million to reduce the carrying value of our Atlanta and Indianapolis market goodwill balances. We did not identify any impairment indicators at any of our other reportable segments for the three months ended June 30, 2020. During the three months ended September 30, 2020, the Company recorded a non-cash impairment charge of approximately $10.0 million related to its Atlanta market and Indianapolis market goodwill balances.

Below are some of the key assumptions used in the income approach model for estimating the broadcasting license and goodwill fair values for the annual impairment testing performed and interim impairment testing performed where an impairment charge was recorded since January 1, 2020.

Radio Broadcasting Licenses	October 1, 2021	October 1, 2020	September 30, 2020 (a)	March 31, 2020 (a)
Impairment charge (in millions)	$ —	$ 1.7*	$ 19.1	$ 47.7
Discount Rate	9.0 %	9.0 %	9.0 %	9.5 %
Year 1 Market Revenue Growth Rate Range	6.1% – 8.0 %	(10.7)% – (16.0) %	(10.7)% – (16.8) %	(13.3)%
Long-term Market Revenue Growth Rate Range	0.7% – 1.0 %	0.7% – 1.1 %	0.7% – 1.1 %	0.7% – 1.1 %
Mature Market Share Range	6.2% – 23.2 %	6.7% – 23.9 %	6.7% – 23.9 %	6.9% – 25.0 %
Mature Operating Profit Margin Range	26.9% – 36.1 %	27.7% – 37.1 %	27.7% – 37.1 %	27.6% – 39.7 %

(a) Reflects changes only to the key assumptions used in the interim testing for certain units of accounting.

(*) License fair value based on estimated asset sale consideration.

Goodwill (Radio Market Reporting Units)	October 1, 2021 (a)	October 1, 2020 (a)	September 30, 2020 (a)	March 31, 2020 (a)
Impairment charge (in millions)	$ —	$ —	$ 10.0	$ 5.9
Discount Rate	9.0 %	9.0 %	9.0 %	9.5
Year 1 Market Revenue Growth Rate Range	(10.7)% – 25.4 %	(12.9)% – 25.9 %	(26.6)% – 34.7 %	(14.5)% – (12.9)
Long-term Market Revenue Growth Rate Range	0.7% – 1.0 %	0.7% – 1.1 %	0.9% – 1.1 %	0.9% – 1.1
Mature Market Share Range	6.2% – 16.0 %	6.8% – 16.8 %	8.4% – 12.7 %	11.1% – 13.0
Mature Operating Profit Margin Range	21.2% – 47.3 %	27.7% – 49.1 %	27.7% – 48.1 %	29.4% – 39.0

(a) Reflects the key assumptions for testing only those radio markets with remaining goodwill.

Below are some of the key assumptions used in the income approach model for estimating the fair value for Reach Media for the annual and interim impairment assessments performed since October 2020. When compared to the discount rates used for assessing radio market reporting units, the higher discount rates used in these assessments reflect a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content assets that are highly dependent on a single on-air personality. As a result of our impairment assessments, the Company concluded that the goodwill was not impaired.

Reach Media Segment Goodwill	October 1, 2021	October 1, 2020
Impairment charge (in millions)	$ —	$ —
Discount Rate	11.5 %	11.0 %
Year 1 Revenue Growth Rate	(15.7)%	22.1 %
Long-term Revenue Growth Rate (Year 5)	1.0 %	1.0 %
Operating Profit Margin Range	24.1 – 26.2 %	18.0 – 19.1 %

Below are some of the key assumptions used in the income approach model for determining the fair value of our digital reporting unit since October 2020. When compared to discount rates for the radio reporting units, the higher discount rate used to value the reporting unit is reflective of discount rates applicable to internet media businesses. As a result of our impairment assessments, the Company concluded that the goodwill was not impaired.

Digital Segment Goodwill	October 1, 2021	October 1, 2020
Impairment charge (in millions)	$ —	$ —
Discount Rate	14.0 %	14.0 %
Year 1 Revenue Growth Rate	(20.4)%	(5.4)%
Long-term Revenue Growth Rate (Years 6 – 10)	2.5% - 6.8 %	3.4% - 6.0 %
Operating Profit Margin Range	(5.2)% - 14.3 %	(12.5)% - 13.1 %

Below are some of the key assumptions used in the income approach model for determining the fair value of our cable television segment since October 2020. As a result of the testing performed, the Company concluded no impairment to the carrying value of goodwill had occurred.

Cable Television Segment Goodwill	October 1, 2021	October 1, 2020
Impairment charge (in millions)	$ —	$ —
Discount Rate	9.5 %	10.5 %
Year 1 Revenue Growth Rate	11.6 %	4.5 %
Long-term Revenue Growth Rate Range (Years 6 – 10)	0.4% - 0.6 %	0.6% - 1.5 %
Operating Profit Margin Range	34.9% - 46.4 %	37.2% - 46.1 %

The above goodwill tables reflect some of the key valuation assumptions used for 11 of our 16 reporting units. The other five remaining reporting units had no goodwill carrying value balances as of December 31, 2021.

In arriving at the estimated fair values for radio broadcasting licenses and goodwill, we also performed an analysis by comparing our overall average implied multiple based on our cash flow projections and fair values to recently completed sales transactions, and by comparing our fair value estimates to the market capitalization of the Company. The results of these comparisons confirmed that the fair value estimates resulting from our annual assessment for 2021 were reasonable.

Sensitivity Analysis

We believe both the estimates and assumptions we utilized when assessing the potential for impairment are individually and in aggregate reasonable; however, our estimates and assumptions are highly judgmental in nature. Further, there are inherent uncertainties related to these estimates and assumptions and our judgment in applying them to the impairment analysis. While we believe we have made reasonable estimates and assumptions to calculate the fair values, changes in any one estimate, assumption or a combination of estimates and assumptions, or changes in certain events or circumstances (including uncontrollable events and circumstances resulting from continued deterioration in the economy or credit markets) could require us to assess recoverability of broadcasting licenses and goodwill at times other than our annual October 1 assessments, and could result in changes to our estimated fair values and further write-downs to the carrying values of these assets. Impairment charges are non-cash in nature, and as with current and past impairment charges, any future impairment charges will not impact our cash needs or liquidity or our bank ratio covenant compliance.

We had a total goodwill carrying value of approximately $223.4 million across 11 of our 16 reporting units as of December 31, 2021. The below table indicates the long-term cash flow growth rates assumed in our impairment testing and the long-term cash flow growth/decline rates that would result in additional goodwill impairment. For three of the reporting units, given the significant excess of their fair value over carrying value, any future goodwill impairment is not likely. However, should our estimates and assumptions for assessing the fair values of the remaining reporting units with goodwill worsen to reflect the below or lower cash flow growth/decline rates, additional goodwill impairments may be warranted in the future.

Reporting Unit	Long-Term Cash Flow Growth Rate Used	Long-Term Cash Flow Growth/(Decline) Rate That Would Result in Carrying Value that is less than Fair Value (a)
2	0.9 %	Impairment not likely
16	0.7 %	Impairment not likely
21	0.5 %	Impairment not likely
1	1.0 %	0.2%
11	0.7 %	(0.8)%
13	0.9 %	(1.9)%
12	1.0 %	(2.0)%
10	1.0 %	(2.9)%
6	0.7 %	(8.3)%
18	2.5 %	(21.9)%
19	1.0 %	(268.0)%

(a) The long-term cash flow growth/(decline) rate that would result in the carrying value of the reporting unit being less than the fair value of the reporting unit applies only to further goodwill impairment and not to any future license impairment that would result from lowering the long-term cash flow growth rates used.

Several of the licenses in our units of accounting have limited or no excess of fair values over their respective carrying values. As set forth in the table below, as of October 1, 2021, we appraised the radio broadcasting licenses at a fair value of approximately $599.0 million, which was in excess of the $505.2 million carrying value by $93.9 million, or 18.6%. The fair values of the licenses exceeded the carrying values of the licenses for all units of accounting. Should our estimates, assumptions, or events or circumstances for any upcoming valuations worsen in the units with no or limited fair value cushion, additional license impairments may be needed in the future.

	Radio Broadcasting Licenses			
	As of			
			Excess	
Unit of Accounting (a)	October 1, 2021 Carrying Values ("CV")	October 1, 2021 Fair Values ("FV")	FV vs. CV	% FV Over CV
	(In thousands)			
Unit of Accounting 2	$ 3,086	$ 32,375	$ 29,289	949.1 %
Unit of Accounting 5	13,525	15,310	1,785	13.2 %
Unit of Accounting 7	15,223	18,081	2,858	18.8 %
Unit of Accounting 11	15,560	17,498	1,938	12.5 %
Unit of Accounting 14	19,070	20,518	1,448	7.6 %
Unit of Accounting 6	22,642	28,134	5,492	24.3 %
Unit of Accounting 12	32,968	34,120	1,152	3.5 %
Unit of Accounting 4	37,224	40,321	3,097	8.3 %
Unit of Accounting 13	39,646	40,940	1,294	3.3 %
Unit of Accounting 8	52,515	56,568	4,053	7.7 %
Unit of Accounting 16	54,670	89,981	35,311	64.6 %
Unit of Accounting 1	84,369	90,091	5,722	6.8 %
Unit of Accounting 10	114,650	115,108	458	0.4 %
Total	$ 505,148	$ 599,045	$ 93,897	18.6 %

(a) The units of accounting are not disclosed on a specific market basis so as to not make publicly available sensitive information that could be competitively harmful to the Company.

The following table presents a sensitivity analysis showing the impact on our impairment testing resulting from: (i) a 100 basis point decrease in industry or reporting unit growth rates; (ii) a 100 basis point decrease in cash flow margins; (iii) a 100 basis point increase in the discount rate; and (iv) both a 5% and 10% reduction in the fair values of broadcasting licenses and reporting units.

	Hypothetical Increase in the Recorded Impairment Charge For the Year Ended December 31, 2021	
	Broadcasting Licenses	Goodwill (a)
	(In millions)	
Impairment charge recorded:		
Radio Market Reporting Units	$ —	$ —
Reach Media Reporting Unit	—	—
Cable Television Reporting Unit	—	—
Digital Reporting Unit	—	—
Total Impairment Recorded	$ —	$ —
Hypothetical Change for Radio Market Reporting Units:		
A 100 basis point decrease in radio industry long-term growth rates	$ 20.7	$ 1.1
A 100 basis point decrease in cash flow margin in the projection period	$ 3.0	$ —
A 100 basis point increase in the applicable discount rate	$ 36.8	$ 5.9
A 5% reduction in the fair value of broadcasting licenses and reporting units	$ 6.6	$ —
A 10% reduction in the fair value of broadcasting licenses and reporting units	$ 22.5	$ 4.4
Hypothetical Change for Reach Media Reporting Unit:		
A 100 basis point decrease in long-term growth rates	Not applicable	$ —
A 100 basis point decrease in cash flow margin in the projection period	Not applicable	$ —
A 100 basis point increase in the applicable discount rate	Not applicable	$ —
A 5% reduction in the fair value of the reporting unit	Not applicable	$ —
A 10% reduction in the fair value of the reporting unit	Not applicable	$ —
Hypothetical Change for Cable Television Reporting Unit:		
A 100 basis point decrease in long-term growth rates	Not applicable	$ —
A 100 basis point decrease in cash flow margin in the projection period	Not applicable	$ —
A 100 basis point increase in the applicable discount rate	Not applicable	$ —
A 5% reduction in the fair value of the reporting unit	Not applicable	$ —
A 10% reduction in the fair value of the reporting unit	Not applicable	$ —
Hypothetical Change for Digital Reporting Unit:		
A 100 basis point decrease in long-term growth rates	Not applicable	$ —
A 100 basis point decrease in cash flow margin in the projection period	Not applicable	$ —
A 100 basis point increase in the applicable discount rate	Not applicable	$ —
A 5% reduction in the fair value of the reporting unit	Not applicable	$ —
A 10% reduction in the fair value of the reporting unit	Not applicable	$ —

(a) Goodwill impairment charge applies only to further goodwill impairment and not to any potential license impairment that could result from changing other assumptions.

Impairment of Intangible Assets Excluding Goodwill, Radio Broadcasting Licenses and Other Indefinite-Lived Intangible Assets

Intangible assets, excluding goodwill, radio broadcasting licenses and other indefinite-lived intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be fully recoverable. These events or changes in circumstances may include a significant deterioration of operating results, changes in business plans, or changes in anticipated future cash flows. If an impairment indicator is present, we will evaluate recoverability by a comparison of the carrying amount of the asset or group of assets to future undiscounted net cash flows expected to be generated by the asset or group of assets. Assets are grouped at the lowest level for which there is identifiable cash flows that are largely independent of the cash flows generated by other asset groups. If the assets are impaired, the impairment is measured by the amount by which the carrying amount exceeds the fair value of the assets determined by estimates of discounted cash flows. The discount rate used in any estimate of discounted cash flows would be the rate required for a similar investment of like risk. The Company reviewed certain intangibles for impairment during 2021 and 2020 and determined no impairment charges were necessary. Any changes in the valuation estimates and assumptions or changes in certain events or circumstances could result in changes to the estimated fair values of these intangible assets and may result in future write-downs to the carrying values.

Revenue Recognition

In accordance with Accounting Standards Codification ("ASC") 606, "*Revenue from Contracts with Customers,*" the Company recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. In general, our spot advertising (both radio and cable television) as well as our digital advertising continues to be recognized when aired and delivered. For our cable television affiliate revenue, the Company grants a license to the affiliate to access its television programming content through the license period, and the Company earns a usage based royalty when the usage occurs, consistent with our previous revenue recognition policy. Finally, for event advertising, the performance obligation is satisfied at a point in time when the activity associated with the event is completed.

Within our radio broadcasting and Reach Media segments, the Company recognizes revenue for broadcast advertising at a point in time when a commercial spot runs. The revenue is reported net of agency and outside sales representative commissions. Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing. Generally, clients remit the gross billing amount to the agency or outside sales representative, and the agency or outside sales representative remits the gross billing, less their commission, to the Company.

Within our digital segment, including Interactive One, which generates the majority of the Company's digital revenue, revenue is principally derived from advertising services on non-radio station branded but Company-owned websites. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized at a point in time either as impressions (the number of times advertisements appear in viewed pages) are delivered or when "click through" purchases are made, where applicable. In addition, Interactive One derives revenue from its studio operations, in which it provides third-party clients with publishing services including digital platforms and related expertise. In the case of the studio operations, revenue is recognized primarily through fixed contractual monthly fees and/or as a share of the third party's reported revenue.

Our cable television segment derives advertising revenue from the sale of television air time to advertisers and recognizes revenue when the advertisements are run. Advertising revenue is recognized at a point in time when the individual spots run. To the extent there is a shortfall in contracts where the ratings were guaranteed, a portion of the revenue is deferred until the shortfall is settled, typically by providing additional advertising units generally within one year of the original airing. Our cable television segment also derives revenue from affiliate fees under the terms of various multi-year affiliation agreements based on a per subscriber fee multiplied by the most recent subscriber counts reported by the applicable affiliate. The Company recognizes the affiliate fee revenue at a point in time as its performance obligation to provide the programming is met. The Company has a right of payment each month as the programming services and related obligations have been satisfied.

Contingencies and Litigation

We regularly evaluate our exposure relating to any contingencies or litigation and record a liability when available information indicates that a liability is probable and estimable. We also disclose significant matters that are reasonably possible to result in a loss, or are probable but for which an estimate of the liability is not currently available. To the extent actual contingencies and litigation outcomes differ from amounts previously recorded, additional amounts may need to be reflected.

Uncertain Tax Positions

To address the exposures of uncertain tax positions, we recognize the impact of a tax position in the financial statements if it is more likely than not that the position would be sustained on examination based on the technical merits of the position. As of December 31, 2021, we had approximately $1.3 million in unrecognized tax benefits. Future outcomes of our tax positions may be more or less than the currently recorded liability, which could result in recording additional taxes, or reversing some portion of the liability and recognizing a tax benefit once it is determined the liability is no longer necessary as potential issues get resolved, or as statutes of limitations in various tax jurisdictions close.

Realizability of Deferred Tax Assets

As of each reporting date, management considers new evidence, both positive and negative, that could affect its conclusions regarding the future realization of the Company's deferred tax assets ("DTAs"). During the year ended December 31, 2021, management continues to believe that there is sufficient positive evidence to conclude that it is more likely than not the DTAs are realizable. The assessment to determine the value of the DTAs to be realized under ASC 740 is highly judgmental and requires the consideration of all available positive and negative evidence in evaluating the likelihood of realizing the tax benefit of the DTAs in a future period. Circumstances may change over time such that previous negative evidence no longer exists, and new conditions should be evaluated as positive or negative evidence that could affect the realization of the DTAs. Since the evaluation requires consideration of events that may occur some years into the future, significant judgment is required, and our conclusion could be materially different if certain expectations do not materialize.

In the assessment of all available evidence, an important piece of objectively verifiable evidence is evaluating a cumulative income or loss position over the most recent three-year period. Historically, the Company maintained a full valuation against the net DTAs, principally due to overwhelming objectively verifiable negative evidence in the form of a cumulative loss over the most recent three-year period. However, during the quarter ended December 31, 2018, the Company achieved three years of cumulative income, which removed the most heavily weighted piece of objectively verifiable negative evidence from our evaluation of the realizability of DTAs. Moreover, in combination with the three years of cumulative income and other objectively verifiable positive evidence that existed as of the quarter ended December 31, 2018, management believed that there was sufficient positive evidence to conclude that it was more likely than not that a material portion of its net DTAs were realizable. Consequently, the Company reduced its valuation allowance during the quarter ended December 31, 2018.

As of the quarter ended December 31, 2021, management continues to weigh the objectively verifiable evidence associated with its cumulative income or loss position over the most recent three-year period. Further, as of the year ended December 31, 2021, the Company continues to have three years of cumulative income. Management also considered the cumulative income includes non-deductible pre-tax expenditures that, while included in pre-tax earnings, are not a component of taxable income and therefore are not expected to negatively impact the Company's ability to realize the tax benefit of the DTAs in current or future years.

As part of the 2017 Tax Act, IRC Section 163(j) limits the timing of the tax deduction for interest expense. In conjunction with evaluating and weighing the aforementioned negative and positive evidence from the Company's historical cumulative income or loss position, management also evaluated the impact that interest expense has had on our cumulative income or loss position over the most recent three-year period. A material component of the Company's expenses is interest and has been the primary driver of historical pre-tax losses. As part of our evaluation of positive evidence, management is adjusting for the IRC Section 163(j) interest expense limitation on projected taxable income as part of developing forecasts of taxable income sufficient to utilize the Company's federal and state net operating losses that are not subject to annual limitation resulting from the 2009 ownership shift as defined under IRC Section 382.

Realization of the Company's DTAs is dependent on generating sufficient taxable income in future periods, and although management believes it is more likely than not future taxable income will be sufficient to realize the DTAs, realization is not assured and future events may cause a change to the judgment of the realizability of the DTAs. If a future event causes management to re-evaluate and conclude that it is not more likely than not, that all or a portion of the DTAs are realizable, the Company would be required to establish a valuation allowance against the assets at that time, which would result in a charge to income tax expense and a decrease to net income in the period which the change of judgment is concluded.

The Company continues to assess potential tax strategies, which if successful, may reduce the impact of the annual limitations and potentially recover NOLs that otherwise would expire before being applied to reduce future income tax liabilities. If successful, the Company may be able to recover additional federal and state NOLs in future periods, which could be material. If we conclude that it is more likely than not that we will be able to realize additional federal and state NOLs, the tax benefit could materially impact future quarterly and annual periods. The federal and state NOLs expire in various years from 2022 to 2039.

Redeemable noncontrolling interests

Redeemable noncontrolling interests are interests in subsidiaries that are redeemable outside of the Company's control either for cash or other assets. These interests are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

With the assistance of a third-party valuation firm, the Company assesses the fair value of the redeemable noncontrolling interest in Reach Media as of the end of each reporting period. The fair value of the redeemable noncontrolling interests as of December 31, 2021 and 2020, was approximately $17.0 million and $12.7 million, respectively. The determination of fair value incorporated a number of assumptions and estimates including, but not limited to, forecasted operating results, discount rates and a terminal value. Different estimates and assumptions may result in a change to the fair value of the redeemable noncontrolling interests amount previously recorded.

Fair Value Measurements

The Company accounts for an award called for in the CEO's employment agreement (the "Employment Agreement") at fair value. According to the Employment Agreement, executed in April 2008, the CEO is eligible to receive an award (the "Employment Agreement Award") amount equal to approximately 4% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company's obligation to pay the award was triggered after the Company recovered the aggregate amount of capital contributions in TV One, and payment is required only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to such invested amount. The long-term portion of the award is recorded in other long-term liabilities and the current portion is recorded in other current liabilities in the consolidated balance sheets. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses if the CEO voluntarily leaves the Company or is terminated for cause. In September 2014, the Compensation Committee of the Board of Directors of the Company approved terms for a new employment agreement with the CEO, including a renewal of the Employment Agreement Award upon similar terms as in the prior Employment Agreement.

The Company estimated the fair value of the Employment Agreement Award as of December 31, 2021, at approximately $28.2 million and, accordingly, adjusted the liability to that amount. The fair value estimate incorporated a number of assumptions and estimates, including but not limited to TV One's future financial projections. As the Company will measure changes in the fair value of this award at each reporting period as warranted by certain circumstances, different estimates or assumptions may result in a change to the fair value of the award amount previously recorded.

Content Assets

Our cable television segment has entered into contracts to acquire entertainment programming rights and programs from distributors and producers. The license periods granted in these contracts generally run from one year to five years. Contract payments are made in installments over terms that are generally shorter than the contract period. Each contract is recorded as an asset and a liability at an amount equal to its gross contractual commitment when the license period begins and the program is available for its first airing. For programming that is predominantly monetized as part of a content group, which includes our acquired and commissioned programs, capitalized costs are amortized based on an estimate of our usage and benefit from such programming. The estimates require management's judgement and include consideration of factors such as expected revenues to be derived from the programming, the expected number of future airings, and, if applicable, the length of the license period. Acquired content is generally amortized on a straight-line basis over the term of the license which reflects the estimated usage. For certain content for which the pattern of usage is accelerated, amortization is based upon the actual usage. Amortization of content assets is recorded in the consolidated statement of operations as programming and technical expenses.

The Company also has programming for which the Company has engaged third parties to develop and produce, and it owns most or all rights (commissioned programming). In accordance with ASC 926, content amortization expense for each period is recognized based on the revenue forecast model, which approximates the proportion that estimated advertising and affiliate revenues for the current period represent in relation to the estimated remaining total lifetime revenues as of the beginning of the current period. Management regularly reviews, and revises when necessary, its total revenue estimates, which may result in a change in the rate of amortization and/or a write-down of the asset to fair value.

Content that is predominantly monetized within a film group is assessed for impairment at the film group level and is tested for impairment if circumstances indicate that the fair value of the content within the film group is less than its unamortized costs. A significant decrease in the amount of ultimate revenue expected to be recognized was determined for one of the film groups, and as a result, the Company recorded an impairment and additional amortization expense of $695,000, as a result of evaluating its contracts for impairment for the year ended December 31, 2021. The Company did not record any additional amortization expense for the year ended December 31, 2020. Impairment and amortization of content assets is recorded in the consolidated statements of operations as programming and technical expenses. All produced and licensed content is classified as a long-term asset, except for the portion of the unamortized content balance that is expected to be amortized within one year which is classified as a current asset.

Tax incentives that state and local governments offer that are directly measured based on production activities are recorded as reductions in production costs.

Capital and Commercial Commitments

Indebtedness

As of December 31, 2021, we had approximately $825.0 million of our 2028 Notes outstanding and approximately $7.5 million outstanding on our PPP Loan within our corporate structure. The Company used the net proceeds from the 2028 Notes, together with cash on hand, to repay or redeem: (1) the 2017 Credit Facility; (2) the 2018 Credit Facility; (3) the MGM National Harbor Loan; (4) the remaining amounts of our 7.375% Notes; and (5) our 8.75% Notes that were issued in the November 2020 Exchange Offer. Upon settlement of the 2028 Notes, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged.

See "*Liquidity and Capital Resources*." See the balances outstanding as of December 31, 2021 in the "Type of Debt" section as part of the "*Liquidity and Capital Resources*" section above.

Lease obligations

We have non-cancelable operating leases for office space, studio space, broadcast towers and transmitter facilities that expire over the next 10 years.

Operating Contracts and Agreements

We have other operating contracts and agreements including employment contracts, on-air talent contracts, severance obligations, retention bonuses, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements that expire over the next five years.

Royalty Agreements

Musical works rights holders, generally songwriters and music publishers, have been traditionally represented by performing rights organizations, such as the American Society of Composers, Authors and Publishers ("ASCAP"), Broadcast Music, Inc. ("BMI") and SESAC, Inc. ("SESAC"). The market for rights relating to musical works is changing rapidly. Songwriters and music publishers have withdrawn from the traditional performing rights organizations, particularly ASCAP and BMI, and new entities, such as Global Music Rights, Inc. ("GMR"), have been formed to represent rights holders. These organizations negotiate fees with copyright users, collect royalties and distribute them to the rights holders. We currently have arrangements with ASCAP, SESAC and GMR. On April 22, 2020, the Radio Music License Committee ("RMLC"), an industry group which the Company is a part of, and BMI have reached agreement on the terms of a new license agreement that covers the period January 1, 2017, through December 31, 2021. Upon approval of the court of the BMI/RMLC agreement, the Company automatically became a party to the agreement and to a license with BMI through December 31, 2021.

Reach Media Redeemable Noncontrolling Interest Shareholders' Put Rights

Beginning on January 1, 2018, the noncontrolling interest shareholders of Reach Media have had an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares (the "Put Right"). This annual right is exercisable for a 30-day period beginning January 1 of each year. The purchase price for such shares may be paid in cash and/or registered Class D common stock of Urban One, at the discretion of Urban One. The noncontrolling interest shareholders of Reach Media did not exercise their Put Right for the 30-day period ending January 31, 2022. Management, at this time, cannot reasonably determine the period when and if the put right will be exercised by the noncontrolling interest shareholders.

Contractual Obligations Schedule

The following table represents our scheduled contractual obligations as of December 31, 2021:

	Payments Due by Period						
Contractual Obligations	**2022**	**2023**	**2024**	**2025**	**2026**	**2027 and Beyond**	**Total**
				(In thousands)			
7.375% Subordinated Notes (1)	$ 60,844	$ 60,844	$ 60,844	$ 60,844	$ 60,844	$ 890,914	$ 1,195,134
PPP Loan (2)	75	75	75	75	7,542	—	7,842
Other operating contracts/agreements(3)	69,791	23,117	19,386	19,422	8,452	9,408	149,576
Operating lease obligations	13,164	11,333	10,099	5,377	3,070	5,378	48,421
Total	$ 143,874	$ 95,369	$ 90,404	$ 85,718	$ 79,908	$ 905,700	$ 1,400,973

(1) Includes interest obligations based on effective interest rates on senior secured notes outstanding as of December 31, 2021.

(2) Includes interest obligations on PPP Loan outstanding as of December 31, 2021.

(3) Includes employment contracts (including the Employment Agreement Award), severance obligations, on-air talent contracts, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements. Also includes contracts that our cable television segment has entered into to acquire

entertainment programming rights and programs from distributors and producers. These contracts relate to their content assets as well as prepaid programming related agreements.

Of the total amount of other operating contracts and agreements included in the table above, approximately $100.1 million has not been recorded on the balance sheet as of December 31, 2021, as it does not meet recognition criteria. Approximately $18.0 million relates to certain commitments for content agreements for our cable television segment, approximately $30.9 million relates to employment agreements, and the remainder relates to other agreements.

Off-Balance Sheet Arrangements

On February 24, 2015, the Company entered into a letter of credit reimbursement and security agreement providing for letter of credit capacity of up to $1.2 million. On October 8, 2019, the Company entered into an amendment to its letter of credit reimbursement and security agreement and extended the term to October 8, 2024. As of December 31, 2021, the Company had letters of credit totaling $871,000 under the agreement for certain operating leases and certain insurance policies. Letters of credit issued under the agreement are required to be collateralized with cash. In addition, the Current 2021 ABL Facility provides for letter of credit capacity of up to $5 million subject to certain limitations on availability.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

Not required for smaller reporting companies.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The consolidated financial statements of Urban One required by this item are filed with this report on Pages F-1 to F-55.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures

We have carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”), of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on this evaluation, our CEO and CFO concluded that as of such date, our disclosure controls and procedures are effective in timely alerting them to material information required to be included in our periodic SEC reports. Disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, are controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms.

In designing and evaluating the disclosure controls and procedures, our management recognized that any controls and procedures, no matter how well designed and operated, can only provide reasonable assurance of achieving the desired control objectives and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures are designed to provide a reasonable level of assurance of reaching our desired disclosure controls objective. Our management, including our CEO and CFO, has concluded that our disclosure controls and procedures are effective in reaching that level of reasonable assurance.

(b) Management's report on internal control over financial reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, including our CEO and CFO, we conducted an evaluation of the effectiveness of our internal control over financial reporting. Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, our management conducted an assessment of the effectiveness of internal control over financial reporting as of December 31, 2021 based on the criteria established in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework). Based on this assessment, our management has concluded that our internal control over financial reporting was effective as of December 31, 2021.

The Company's independent registered public accounting firm is engaged to express an opinion on our internal control over financial reporting, as stated in its report which is included in Part IV, Item 15 of this Form 10-K under the caption "Reports of Independent Registered Public Accounting Firm."

(c) Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting during the year ended December 31, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information with respect to directors and executive officers required by this Item 10 is incorporated into this report by reference to the information set forth under the caption “Nominees for Class A Directors,” “Nominees for Other Directors,” “Code of Conduct,” and “Executive Officers” in our proxy statement for the 2022 Annual Meeting of Stockholders, which is expected to be filed with the Commission within 120 days after the close of our fiscal year.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item 11 is incorporated into this report by reference to the information set forth under the caption “Compensation of Directors and Executive Officers” in our proxy statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item 12 is incorporated into this report by reference to the information set forth under the caption “Principal Stockholders” in our proxy statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by this Item 13 is incorporated into this report by reference to the information set forth under the caption “Certain Relationships and Related Transactions” in our proxy statement.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item 14 is incorporated into this report by reference to the information set forth under the caption “Audit Fees” in our proxy statement.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a)(1) *Financial Statements*

The following financial statements required by this item are submitted in a separate section beginning on page F-1 of this report:

Reports of Independent Registered Public Accounting Firm (BDO USA, LLP; Potomac, MD; PCAOB ID #243)

Consolidated Balance Sheets as of December 31, 2021 and 2020

Consolidated Statements of Operations for the years ended December 31, 2021 and 2020

Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2021 and 2020

Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2021 and 2020

Consolidated Statements of Cash Flows for the years ended December 31, 2021 and 2020

Notes to the Consolidated Financial Statements

Schedule II — Valuation and Qualifying Accounts

Schedules other than those listed above have been omitted from this Form 10-K because they are not required, are not applicable, or the required information is included in the financial statements and notes thereto.

(a)(2) EXHIBITS AND FINANCIAL STATEMENTS: The following exhibits are filed as part of this Annual Report, except for Exhibits 32.1 and 32.2, which are furnished, but not filed, with this Annual Report.

Exhibit Number	Description
3.1	Amended and Restated Certificate of Incorporation of Urban Inc., dated as of May 4, 2000, as filed with the State of Delaware on May 9, 2000 (incorporated by reference to Exhibit 3.1 to Urban One's Quarterly Report on Form 10-Q for the period ended March 31, 2000).
3.1.1	Certificate of Amendment, dated as of April 25, 2017, of the Amended and Restated Certificate of Incorporation of Urban One, Inc., dated as of April 25, 2017, as filed with the State of Delaware on April 25, 2017 (incorporated by reference to Exhibit 3.1 to Urban One's Current Report on Form 8-K filed May 8, 2017).
3.2	Amended and Restated By-laws of Urban One, Inc. amended as of May 5, 2017 (incorporated by reference to Exhibit 3.2 to Urban One's Current Report on Form 8-K filed May 8, 2017).
3.3	Certificate of Conversion of Bell Broadcasting Company into Bell Broadcasting Company LLC (incorporated by reference to Exhibit 3.13 to Urban One's Annual Report on Form 10-K, filed March 14, 2016).
3.4	Articles of Organization of Blue Chip Broadcasting Licenses, Ltd. (incorporated by reference to Exhibit 3.32 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.5	Operating Agreement of Blue Chip Broadcasting Licenses, Ltd. (incorporated by reference to Exhibit 3.60 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.6	Articles of Organization of Blue Chip Broadcasting, Ltd. (incorporated by reference to Exhibit 3.30 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.7	Amended and Restated Operating Agreement of Blue Chip Broadcasting, Ltd. (incorporated by reference to Exhibit 3.59 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).

3.8	Certificate of Formation of Charlotte Broadcasting, LLC (incorporated by reference to Exhibit 3.18 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.9	Limited Liability Company Agreement of Charlotte Broadcasting, LLC (incorporated by reference to Exhibit 3.53 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.10	Certificate of Formation of Distribution One, LLC. (incorporated by reference to Exhibit 3.15 to Urban One's Registration Statement on Form S-4, filed February 9, 2011).
3.11	Limited Liability Company Agreement of Distribution One, LLC. (incorporated by reference to Exhibit 3.16 to Urban One's Registration Statement on Form S-4, filed February 9, 2011).
3.12	Articles of Incorporation of Interactive One, Inc. (incorporated by reference to Exhibit 3.19 to Urban One's Registration Statement on Form S-4, filed February 9, 2011).
3.13	Bylaws of Interactive One, Inc. (incorporated by reference to Exhibit 3.20 to Urban One's Registration Statement on Form S-4, filed February 9, 2011).
3.14	Certificate of Formation of Interactive One, LLC. (incorporated by reference to Exhibit 3.21 to Urban One's Registration Statement on Form S-4, filed February 9, 2011).
3.15	Limited Liability Company Agreement of Interactive One, LLC. (incorporated by reference to Exhibit 3.22 to Urban One's Registration Statement on Form S-4, filed February 9, 2011).
3.16	Certificate of Incorporation of New Mableton Broadcasting Corporation (incorporated by reference to Exhibit 3.43 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.17	Bylaws of New Mableton Broadcasting Corporation (incorporated by reference to Exhibit 3.70 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.18	Certificate of Conversion of Radio One Cable Holdings, Inc.to Radio One Cable Holdings, LLC. (incorporated by reference to Exhibit 3.19 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.19	Certificate of Conversion of formation of Radio One Cable Holdings, LLC. (incorporated by reference to Exhibit 3.20 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.20	Certificate of Formation of Radio One Distribution Holdings, LLC. (incorporated by reference to Exhibit 3.27 to Urban One's Registration Statement on Form S-4, filed February 9, 2011).
3.21	Limited Liability Company Agreement of Radio One Cable Holdings, LLC. (incorporated by reference to Exhibit 3.20 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.22	Limited Liability Company Agreement of Radio One Distribution Holdings, LLC (incorporated by reference to Exhibit 3.28 to Urban One's Registration Statement on Form S-4, filed February 9, 2011).
3.23	Certificate of Formation of Radio One Licenses, LLC (incorporated by reference to Exhibit 3.3 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.24	Limited Liability Company Agreement of Radio One Licenses, LLC (incorporated by reference to Exhibit 3.46 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.25	Certificate of Formation of Radio One Media Holdings, LLC (incorporated by reference to Exhibit 3.44 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.26	Limited Liability Company Agreement of Radio One Media Holdings, LLC (incorporated by reference to Exhibit 3.71 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.29	Certificate of Formation of Radio One of Charlotte, LLC (incorporated by reference to Exhibit 3.15 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.30	Limited Liability Company Agreement of Radio One of Charlotte, LLC (incorporated by reference to Exhibit 3.51 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.33	Certificate of Limited Partnership of Radio One of Indiana, L.P. (incorporated by reference to Exhibit 3.35 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.34	Limited Partnership Agreement of Radio One of Indiana, L.P. (incorporated by reference to Exhibit 3.63 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.35	Certificate of Formation of Radio One of Indiana, LLC (incorporated by reference to Exhibit 3.38 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.36	Limited Liability Company Agreement of Radio One of Indiana, LLC (incorporated by reference to Exhibit 3.66 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.37	Certificate of Formation of Radio One of North Carolina, LLC (incorporated by reference to Exhibit 3.20 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).

3.38	Limited Liability Company Agreement of Radio One of North Carolina, LLC (incorporated by reference to Exhibit 3.54 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.39	Certificate of Formation of Radio One of Texas II, LLC (incorporated by reference to Exhibit 3.37 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.40	Limited Liability Company Agreement of Radio One of Texas II, LLC (incorporated by reference to Exhibit 3.65 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.41	Certificate of Formation of Satellite One, L.L.C. (incorporated by reference to Exhibit 3.39 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.42	Limited Liability Company Agreement of Satellite One, L.L.C. (incorporated by reference to Exhibit 3.67 to Urban One's Registration Statement on Form S-4, filed August 5, 2005).
3.43	Certificate of Formation of IO Acquisition Sub, LLC (incorporated by reference to Exhibit 3.46 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.44	Certificate of Amendment to Certificate of Formation of BossipMadameNoire, LLC (incorporated by reference to Exhibit 3.3 to Urban One's Current Report on Form 8-K, filed May 8, 2017).
3.45	Limited Liability Company Agreement of BossipMadameNoire, LLC (formerly IO Acquisition Sub and incorporated by reference to Exhibit 3.47 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.46	Certificate of Formation of Radio One Urban Network Holdings, LLC (incorporated by reference to Exhibit 3.48 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.47	Limited Liability Company Agreement of Radio One Urban Network Holdings, LLC (incorporated by reference to Exhibit 3.49 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.48	Certificate of Formation of Radio One Entertainment Holdings, LLC (incorporated by reference to Exhibit 3.50 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.49	Second Amended and Restated Limited Liability Company Agreement of Radio One Entertainment Holdings, LLC (incorporated by reference to Exhibit 3.49 to Urban One's Annual Report on Form 10-K, filed March 31, 2021).
3.50	Certificate of Conversion of Gaffney Broadcasting, LLC (incorporated by reference to Exhibit 3.52 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.51	Certificate of Incorporation of Reach Media, Inc. (incorporated by reference to Exhibit 3.53 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.52	Bylaws of Reach Media, Inc. (incorporated by reference to Exhibit 3.54 to Urban One's Annual Report on Form 10-K, filed February 17, 2015).
3.53	Certificate of Formation of RO One Solution, LLC (incorporated by reference to Exhibit 3.54 to Urban One's Annual Report on Form 10-K, filed March 14, 2016).
3.54	Certificate of Formation of Urban One Entertainment SPV, LLC (incorporated by reference to Exhibit 3.54 to Urban One's Annual Report on Form 10-K, filed March 18, 2019).
3.55	Second Amended and Restated Limited Liability Company Agreement of Urban One Entertainment SPV, LLC (incorporated by reference to Exhibit 3.55 to Urban One's Annual Report on Form 10-K, filed March 31, 2021).
4.1	Indenture, dated as of January 25, 2021, among Urban One, Inc., the guarantors named therein and Wilmington Trust, National Association, as trustee, relating to the 7.375% Senior Secured Notes due 2028 (incorporated by reference to Exhibit 4.1 to Urban One's Current Report on Form 8-K filed January 29, 2021).
4.2	Credit Agreement, dated as of February 19, 2021, among Urban One, Inc., the other borrowers party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to Urban One's Current Report on Form 8-K filed February 22, 2021).
4.7	Description of Registrant's Securities*
10.1	Amended and Restated Stockholders Agreement dated as of September 28, 2004 among Catherine L. Hughes and Alfred C. Liggins, III (incorporated by reference 4.1 Urban One's Quarterly Report on Form 10-Q for the period ended June 30, 2005).
10.2	Amended and Restated Radio One, Inc. 2009 Stock Option and Restricted Stock Grant Plan (incorporated by reference to Urban One's Definitive Proxy on Schedule 14A filed October 3, 2013).
10.3	Urban One, Inc. 2019 Equity and Performance Incentive Plan (incorporated by reference to Urban One's Definitive Proxy on Schedule 14A filed April 11, 2019).

10.4	Employment Agreement between Radio One, Inc. and Peter D. Thompson dated October 9, 2014 (incorporated by reference to Exhibit 10.12 to Urban One's Current Report on Form 8-K filed November 4, 2014).
10.5	Employment Agreement between Radio One, Inc. and Alfred C. Liggins, III dated April 16, 2008 (incorporated by reference to Exhibit 10.2 to Urban One's Current Report on Form 8-K filed April 18, 2008).
10.6	Terms of Employment Agreement between Radio One, Inc. and Alfred C. Liggins, III approved September 30, 2014 (incorporated by reference to Item 5.02 of Urban One's Current Report on Form 8-K filed October 6, 2014).
10.7	Employment Agreement between Radio One, Inc. and Catherine L. Hughes dated April 16, 2008 (incorporated by reference to Exhibit 10.1 to Urban One's Current Report on Form 8-K filed April 18, 2008).
10.8	Terms of Employment Agreement between Radio One, Inc. and Catherine L. Hughes approved September 30, 2014 (incorporated by reference to Item 5.02 of Urban One's Current Report on Form 8-K filed October 6, 2014).
10.9	Credit Agreement, dated as of April 21, 2016, among Radio One, Inc., the lenders party thereto from time to time and Wells Fargo Bank National Association, as administrative agent (incorporated by reference to Exhibit 10.1 to Urban One's Current Report on Form 8-K filed April 27, 2016).
10.10	Extension Agreement attaching to and made a part of Employment Agreement by and between Radio One, Inc. and Peter D. Thompson (incorporated by reference to Exhibit 10.2 to Urban One's Current Report on Form 8-K filed April 27, 2016).
10.11	Amended and Restated Urban One 2019 Equity and Performance Incentive Plan (incorporated by reference to Exhibit A to Proxy Statement dated April 30, 2021).
21.1	Subsidiaries of Urban One, Inc.*
23.1	Consent of BDO USA, LLP *
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.*
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
101	Financial information from the Annual Report on Form 10-K for the year ended December 31, 2021, formatted in Inline XBRL.*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101

*Indicates document filed herewith.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on March 15, 2022.

URBAN ONE, INC.

By: /s/ Peter D. Thompson
Name: Peter D. Thompson
Title: *Chief Financial Officer and Principal Accounting Officer*

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this report has been signed below by the following persons on behalf of the registrant in the capacities indicated on March 15, 2022.

By: /s/ Catherine L. Hughes
Name: Catherine L. Hughes
Title: *Chairperson, Director and Secretary*
By: /s/ Alfred C. Liggins, III
Name: Alfred C. Liggins, III
Title: *Chief Executive Officer, President and Director*
By: /s/ Terry L. Jones
Name: Terry L. Jones
Title: *Director*
By: /s/ Brian W. McNeill
Name: Brian W. McNeill
Title: *Director*
By: /s/ B. Doyle Mitchell, Jr.
Name: B. Doyle Mitchell, Jr.
Title: *Director*

By: /s/ D. Geoffrey Armstrong
Name: D. Geoffrey Armstrong
Title: *Director*

Report of Independent Registered Public Accounting Firm

Shareholders and Board of Directors
Urban One, Inc.
Silver Spring, Maryland

Opinion on Internal Control over Financial Reporting

We have audited Urban One, Inc's (the "Company's") internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (the "COSO criteria"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheets of the Company as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity, and cash flows for each of the years then ended, and the related notes and schedule and our report dated March 15, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying "Item 9A, Management's Report on Internal Control over Financial Reporting". Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of internal control over financial reporting in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ BDO USA, LLP

Potomac, Maryland
March 15, 2022

Report of Independent Registered Public Accounting Firm

Shareholders and Board of Directors
Urban One, Inc.
Silver Spring, Maryland

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Urban One, Inc. (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income (loss), changes in stockholders' equity, and cash flows for each of the years then ended, and the related notes and schedule (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") and our report dated March 15, 2022 expressed an unqualified opinion thereon.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Valuation of Radio Broadcasting Licenses

As described in Notes 1, 2 and 4 to the consolidated financial statements, the Company acquired radio broadcasting licenses valued at approximately $21.1 million in 2021 and had total radio broadcasting licenses of approximately $505.2 million as of December 31, 2021. The Company tests radio broadcasting licenses for impairment annually, on October 1, or more frequently when events or circumstances or other conditions suggest impairment may have occurred. With the assistance of a third-party valuation firm, the Company estimates the fair value of radio broadcasting licenses acquired in business combinations and being tested for impairment using the income approach, which involves but is not limited to, judgmental estimates and assumptions over projected market share, operating profit margin, long-term revenue growth rates and the discount rate.

We identified the Company’s estimates of the fair value of radio broadcasting licenses acquired in business combinations and being tested for impairment as a critical audit matter. The fair value estimates are sensitive to changes in the significant assumptions such as the projected market share, operating profit margin, long-term market revenue growth rates and the discount rate. Auditing these assumptions required increased auditor effort including the use of valuation specialists.

The primary procedures we performed to address this critical audit matter included:

- Evaluating the design and testing the operating effectiveness of key controls related to the Company’s valuation of radio broadcast licenses acquired in business combinations and being tested for impairment including testing management’s controls over the development of the fair value estimates and related key inputs and assumptions, and over the evaluation of the competency and objectivity of management's third-party valuation specialist.
- Testing the reasonableness of the projected market share, operating profit margin, long-term market revenue growth rates and discount rate utilized in the Company's forecasts for selected licenses by comparing to external industry and market data and to the recent historical results of the Company.
- Utilizing professionals with knowledge and experience in valuation to test the appropriateness of the valuation model employed by the Company and the discount rate used.

Radio Goodwill Impairment Assessment

As described in Notes 1 and 4 to the consolidated financial statements, the Company’s radio market goodwill balance was approximately $36.8 million as of December 31, 2021. The Company tests goodwill for impairment annually, on October 1, or more frequently when events or changes in circumstances or other conditions suggest impairment may have occurred. An impairment exists when the reporting unit’s carrying value exceeds its fair value and the impairment charge is limited to the amount of goodwill allocated to the reporting unit. The Company estimates the fair value of its reporting units primarily using an income approach.

We identified the estimates of the fair value of the Company’s radio market reporting units as a critical audit matter. The fair value estimates are sensitive to changes in the significant assumptions such as the projected market share, operating profit margin, long-term market revenue growth rates and the discount rate. Auditing these assumptions required increased auditor effort including the use of valuation specialists.

The primary procedures we performed to address this critical audit matter included:

- Evaluating the design and tested the operating effectiveness of key controls relating to valuation of the Company’s radio market reporting units performed as part of the Company’s annual impairment test including testing management’s controls over the development of the fair value estimates and related key inputs and assumptions, and over the evaluation of the competency and objectivity of management's third-party valuation specialist.
- Testing the reasonableness of the projected market share, operating profit margin, long-term market revenue growth rates and the discount rate utilized in the Company's forecasts for selected Radio reporting units by comparing to external industry and market data and to the recent historical results of the Company.
- Utilizing professionals with knowledge and experience in valuation to test the appropriateness of the valuation model employed by the Company and the discount rate used.

/s/ BDO USA, LLP

We have served as the Company's auditor since 2016.
Potomac, Maryland
March 15, 2022

URBAN ONE, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	As of December 31, 2021	As of December 31, 2020
	(In thousands, except share data)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 132,245	$ 73,385
Restricted cash	19,973	473
Trade accounts receivable, net of allowance for doubtful accounts of $8,743 and $7,956, respectively	127,446	106,296
Prepaid expenses	2,967	10,154
Current portion of content assets	25,883	28,434
Other current assets	4,760	4,224
Total current assets	313,274	222,966
CONTENT ASSETS, net	60,155	63,175
PROPERTY AND EQUIPMENT, net	26,291	19,192
GOODWILL	223,402	223,402
RIGHT OF USE ASSETS	38,044	40,918
RADIO BROADCASTING LICENSES	505,148	484,066
OTHER INTANGIBLE ASSETS, net	50,159	56,053
DEFERRED TAX ASSETS, net	—	10,041
ASSETS HELD FOR SALE	—	32,661
OTHER ASSETS	44,635	43,013
Total assets	$ 1,261,108	$ 1,195,487
LIABILITIES, REDEEMABLE NONCONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 14,588	$ 11,135
Accrued interest	25,458	8,017
Accrued compensation and related benefits	10,960	12,302
Current portion of content payables	18,972	16,248
Current portion of lease liabilities	10,072	8,928
Other current liabilities	26,421	26,917
Current portion of long-term debt	—	23,362
Total current liabilities	106,471	106,909
LONG-TERM DEBT, net of current portion, original issue discount and issuance costs	818,616	818,924
CONTENT PAYABLES, net of current portion	2,865	9,479
LONG-TERM LEASE LIABILITIES	31,228	36,577
OTHER LONG-TERM LIABILITIES	28,320	23,999
DEFERRED TAX LIABILITIES, net	2,473	—
Total liabilities	989,973	995,888
COMMITMENTS AND CONTINGENCIES		
REDEEMABLE NONCONTROLLING INTERESTS	17,015	12,701
STOCKHOLDERS' EQUITY:		
Convertible preferred stock, $.001 par value, 1,000,000 shares authorized; no shares outstanding at December 31, 2021 and December 31, 2020	—	—
Common stock — Class A, $.001 par value, 30,000,000 shares authorized; 9,104,916 and 4,441,635 shares issued and outstanding as of December 31, 2021 and December 31, 2020, respectively	9	4
Common stock — Class B, $.001 par value, 150,000,000 shares authorized; 2,861,843 shares issued and outstanding as of December 31, 2021 and December 31, 2020	3	3
Common stock — Class C, $.001 par value, 150,000,000 shares authorized; 2,045,016 and 2,928,906 shares issued and outstanding as of December 31, 2021 and December 31, 2020, respectively	2	3
Common stock — Class D, $.001 par value, 150,000,000 shares authorized; 37,324,737 and 37,515,801 shares issued and outstanding as of December 31, 2021 and December 31, 2020, respectively	37	38
Additional paid-in capital	1,020,636	991,769
Accumulated deficit	(766,567)	(804,919)
Total stockholders' equity	254,120	186,898
Total liabilities, redeemable noncontrolling interests and stockholders' equity	$ 1,261,108	$ 1,195,487

The accompanying notes are an integral part of these consolidated financial statements.

URBAN ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2021	Year Ended December 31, 2020
	(In thousands, except share data)	
NET REVENUE	$ 441,462	$ 376,337
OPERATING EXPENSES:		
Programming and technical including stock-based compensation of $20 and $20, respectively	119,092	103,833
Selling, general and administrative, including stock-based compensation of $31 and $413, respectively	143,187	109,046
Corporate selling, general and administrative, including stock-based compensation of $514 and $1,861, respectively	51,351	37,721
Depreciation and amortization	9,289	9,741
Impairment of long-lived assets	—	84,400
Total operating expenses	322,919	344,741
Operating income	118,543	31,596
INTEREST INCOME	218	213
INTEREST EXPENSE	65,702	74,507
LOSS ON RETIREMENT OF DEBT	6,949	2,894
OTHER INCOME, net	(8,134)	(4,547)
Income (loss) before provision for (benefit from) income taxes and noncontrolling interests in income of subsidiaries	54,244	(41,045)
PROVISION FOR (BENEFIT FROM) INCOME TAXES	13,577	(34,476)
CONSOLIDATED NET INCOME (LOSS)	40,667	(6,569)
NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	2,315	1,544
CONSOLIDATED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 38,352	$ (8,113)
BASIC NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS		
Net income (loss) attributable to common stockholders	$ 0.76	$ (0.18)
DILUTED NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS		
Net income (loss) attributable to common stockholders	$ 0.71	$ (0.18)
WEIGHTED AVERAGE SHARES OUTSTANDING:		
Basic	50,163,600	45,041,467
Diluted	54,136,641	45,041,467

The accompanying notes are an integral part of these consolidated financial statements.

URBAN ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Year Ended December 31,	
	2021	2020
	(In thousands)	
COMPREHENSIVE INCOME (LOSS)	$ 40,667	$ (6,569)
LESS: COMPREHENSIVE INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	2,315	1,544
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	$ 38,352	$ (8,113)

The accompanying notes are an integral part of these consolidated financial statements.

URBAN ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
For The Years Ended December 31, 2020 and 2021

	Convertible Preferred Stock	Common Stock Class A	Common Stock Class B	Common Stock Class C	Common Stock Class D	Additional Paid-In Capital	Accumulated Deficit	Total Equity
	(In thousands, except share data)							
BALANCE, as of December 31, 2019	$ —	$ 2	$ 3	$ 3	$ 39	$ 979,834	$ (796,806)	$ 183,075
Consolidated net loss	—	—	—	—	—	—	(8,113)	(8,113)
Stock-based compensation expense	—	—	—	—	—	2,294	—	2,294
Issuance of 2,859,276 shares of Class A common stock	—	2	—	—	—	14,671	—	14,673
Repurchase of 3,919,280 shares of Class D common stock	—	—	—	—	(3)	(3,609)	—	(3,612)
Exercise of options for 1,032,922 shares of common stock	—	—	—	—	2	1,974	—	1,976
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	(3,395)	—	(3,395)
BALANCE, as of December 31, 2020	$ —	$ 4	$ 3	$ 3	$ 38	$ 991,769	$ (804,919)	$ 186,898
Consolidated net income	—	—	—	—	—	—	38,352	38,352
Stock-based compensation expense	—	—	—	—	—	565	—	565
Repurchase of 521,877 shares of Class D common stock	—	—	—	—	(1)	(969)	—	(970)
Issuance of 3,779,391 shares of Class A common stock	—	4	—	—	—	33,273	—	33,277
Exercise of options for 229,756 shares of common stock	—	—	—	—	—	397	—	397
Conversion of 883,890 shares of Class C common stock to 883,890 shares of Class A common stock	—	1	—	(1)	—	—	—	—
Adjustment of redeemable noncontrolling interests to estimated redemption value	—	—	—	—	—	(4,399)	—	(4,399)
BALANCE, as of December 31, 2021	$ —	$ 9	$ 3	$ 2	$ 37	$1,020,636	$ (766,567)	$ 254,120

The accompanying notes are an integral part of these consolidated financial statements.

URBAN ONE, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2021	Year Ended December 31, 2020
	(In thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Consolidated net income (loss)	$ 40,667	$ (6,569)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation and amortization	9,289	9,741
Amortization of debt financing costs	2,267	4,465
Amortization of content assets	47,126	37,394
Amortization of launch assets	1,600	1,079
Bad debt expense	1,584	1,394
Deferred income taxes	12,514	(34,601)
Amortization of right of use assets	7,793	7,940
Non-cash lease liability expense	4,684	5,492
Non-cash interest expense	158	2,191
Impairment of long-lived assets	—	84,400
Stock-based compensation	565	2,294
Non-cash fair value adjustment of Employment Agreement Award	6,163	2,271
Loss on retirement of debt	6,949	—
Gain on asset exchange agreement	404	—
Effect of change in operating assets and liabilities, net of assets acquired:		
Trade accounts receivable	(22,734)	(1,542)
Prepaid expenses and other current assets	6,651	(255)
Other assets	(13,745)	(9,846)
Accounts payable	3,453	5,216
Accrued interest	17,441	(1,077)
Accrued compensation and related benefits	(1,342)	1,399
Other liabilities	(5,892)	(5,378)
Payments for content assets	(45,445)	(32,141)
Net cash flows provided by operating activities	80,150	73,867
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(6,286)	(3,798)
Proceeds from sale of broadcasting assets	8,000	—
Proceeds from sale of property and equipment	—	860
Acquisition of broadcasting assets	—	(475)
Net cash flows provided by (used in) investing activities	1,714	(3,413)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of 2017 credit facility	(317,332)	(3,297)
Proceeds from issuance of Class A common stock, net of fees	33,277	14,673
Proceeds of MGM National Harbor Loan	—	3,600
Repayment of 2018 credit facility	(129,935)	(37,210)
Proceeds from exercise of stock options	397	1,976
Payment of dividends to noncontrolling interest members of Reach Media	(2,400)	(2,802)
Repurchase of common stock	(970)	(3,612)
Proceeds from 2028 Notes	825,000	—
Proceeds from PPP Loan	7,505	—
Debt refinancing costs	(11,157)	(3,470)
Repayment of MGM National Harbor Loan	(57,889)	—
Repayment of 7.375% Notes	(2,984)	—
Repayment of 8.75% Notes	(347,016)	—
Net cash flows used in financing activities	(3,504)	(30,142)
INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	78,360	40,312
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, beginning of period	73,858	33,546
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, end of period	$ 152,218	$ 73,858
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for:		
Interest	$ 45,836	$ 68,927
Income taxes, net of refunds	$ 1,142	$ 115
NON-CASH OPERATING, FINANCING AND INVESTING ACTIVITIES:		
Assets acquired under Audacy asset exchange	$ 28,193	$ —
Liabilities recognized under Audacy asset exchange	$ 2,669	$ —
Right of use asset and lease liability additions	$ 6,392	$ 6,660
Adjustment of redeemable noncontrolling interests to estimated redemption value	$ 4,399	$ 3,395

The accompanying notes are an integral part of these consolidated financial statements.

URBAN ONE, INC. AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021 and 2020

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Organization

Urban One, Inc., a Delaware corporation, and its subsidiaries, (collectively, “Urban One,” the “Company”, “we”, “our” and/or “us”) is an urban-oriented, multi-media company that primarily targets African-American and urban consumers. Our core business is our radio broadcasting franchise which is the largest radio broadcasting operation that primarily targets African-American and urban listeners. As of December 31, 2021, we owned and/or operated 64 independently formatted, revenue producing broadcast stations (including 54 FM or AM stations, 8 HD stations, and the 2 low power television stations we operate) located in 13 of the most populous African-American markets in the United States. While a core source of our revenue has historically been and remains the sale of local and national advertising for broadcast on our radio stations, our strategy is to operate the premier multi-media entertainment and information content platform targeting African-American and urban consumers. Thus, we have diversified our revenue streams by making acquisitions and investments in other complementary media properties. Our diverse media and entertainment interests include TV One, LLC (“TV One”), which operates two cable television networks targeting African-American and urban viewers, TV One and CLEO TV; our 80.0% ownership interest in Reach Media, Inc. (“Reach Media”) which operates the Rickey Smiley Morning Show and our other syndicated programming assets, including the Get Up! Mornings with Erica Campbell Show, Russ Parr Morning Show and the DL Hughley Show; and Interactive One, LLC (“Interactive One”), our wholly owned digital platform serving the African-American community through social content, news, information, and entertainment websites, including its Cassius and Bossip, HipHopWired and MadameNoire digital platforms and brands. We also hold a minority ownership interest in MGM National Harbor, a gaming resort located in Prince George’s County, Maryland. Through our national multi-media operations, we provide advertisers with a unique and powerful delivery mechanism to communicate with African-American and urban audiences.

On January 19, 2019, the Company launched CLEO TV, a lifestyle and entertainment network targeting Millennial and Gen X women of color. CLEO TV offers quality content that defies negative and cultural stereotypes of today's modern women. The results of CLEO TV's operations are reflected in the Company's cable television segment.

Our core radio broadcasting franchise operates under the brand “Radio One.” We also operate other brands, such as TV One, CLEO TV, Reach Media and Interactive One, while developing additional branding reflective of our diverse media operations and our targeting of African-American and urban audiences.

As part of our consolidated financial statements, consistent with our financial reporting structure and how the Company currently manages its businesses, we have provided selected financial information on the Company’s four reportable segments: (i) radio broadcasting; (ii) Reach Media; (iii) digital; and (iv) cable television. (See Note 15 – *Segment Information.)*

(b) Basis of Presentation

The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”) and require management to make certain estimates and assumptions. These estimates and assumptions may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements. The Company bases these estimates on historical experience, current economic environment or various other assumptions that are believed to be reasonable under the circumstances. However, continuing economic uncertainty and any disruption in financial markets increase the possibility that actual results may differ from these estimates.

(c) Principles of Consolidation

The consolidated financial statements include the accounts and operations of Urban One and subsidiaries in which Urban One has a controlling financial interest, which is generally determined when the Company holds a majority voting interest. All significant intercompany accounts and transactions have been eliminated in consolidation. Noncontrolling interests have been recognized where a controlling interest exists, but the Company owns less than 100% of the controlled entity.

(d) Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents consist of cash and money market funds at various commercial banks that have original maturities of 90 days or less. Investments with contractual maturities of 90 days or less from the date of original purchase are classified as cash and cash equivalents. For cash and cash equivalents, cost approximates fair value. The Company's cash and cash equivalents are insured by the Federal Deposit Insurance Corporation up to $250,000 per account. The Company has amounts held with banks that may exceed the amount of insurance provided on such accounts. Generally, the balances may be redeemed upon demand and are maintained with financial institutions of reputable credit, and therefore, bear minimal credit risk.

On July 29, 2021, RVA Entertainment Holdings, LLC ("RVAEH"), a wholly owned unrestricted subsidiary of the Company, entered into a Host Community Agreement (the "Original HCA") with the City of Richmond (the "City") for the development of the ONE Casino + Resort (the "Project"). The Original HCA imposed certain obligations on RVAEH in connection with the development of the Project, including a $26 million upfront payment (the "Upfront Payment") due upon successful passage of a citywide referendum permitting development of the Project (the "Referendum"). In connection with the Original HCA, RVAEH and its development partner Pacific Peninsula Entertainment funded the Upfront Payment into escrow to be released to the City upon successful passage of the Referendum or back to RVAEH in the event the Referendum failed. On November 2, 2021, the Referendum was conducted, and the resort project was narrowly defeated. However, on January 24, 2022, the Richmond City Council adopted a new resolution in continued efforts to bring the Project to the City. The new resolution was the first step in pursuit of a second referendum. The City and RVAEH then entered into a new Host Community Agreement (the "New HCA") which also included an Upfront Payment to be held in escrow and payable upon successful passage of a citywide referendum permitting development of the Project. Upon obtaining precertification for RVAEH, by the Virginia Lottery Board, the City will then pursue an order from the Circuit Court for the City ordering a second referendum. If the City is successful in obtaining the precertification and the Court orders a second referendum, it is currently anticipated the second referendum would occur in November 2022. If the voters approve the referendum then the Commonwealth may issue one license permitting operation of a casino in Richmond. As a result of the efforts to obtain a second referendum, including execution of the New HCA, the Upfront Payment remains in escrow. Therefore, the Company's portion of the Upfront Payment, approximately $19.5 million is classified as restricted cash on the balance sheet as of December 31, 2021.

(e) Trade Accounts Receivable

Trade accounts receivable are recorded at the invoiced amount. The allowance for doubtful accounts is the Company's estimate of the amount of probable losses in the Company's existing accounts receivable portfolio. The Company determines the allowance based on the aging of the receivables, the impact of economic conditions on the advertisers' ability to pay and other factors. Inactive delinquent accounts that are past due beyond a certain amount of days are written off and often pursued by other collection efforts. Bankruptcy accounts are immediately written off upon receipt of the bankruptcy notice from the courts.

(f) Goodwill and Indefinite-Lived Intangible Assets (Primarily Radio Broadcasting Licenses)

In connection with past acquisitions, a significant amount of the purchase price was allocated to radio broadcasting licenses, goodwill and other intangible assets. Goodwill consists of the excess of the purchase price over the fair value of tangible and identifiable intangible net assets acquired. In accordance with Accounting Standards Codification ("ASC") 350, "*Intangibles - Goodwill and Other,*" goodwill and other indefinite-lived intangible assets are not amortized, but are tested annually for impairment at the reporting unit level and unit of accounting level, respectively. We test for impairment annually, on October 1 of each year, or more frequently when events or changes in circumstances or other conditions suggest impairment may have occurred. Radio broadcasting license impairment exists when the asset carrying values exceed their respective fair values, and the excess is then recorded to operations as an impairment charge. With the assistance of a third-party valuation firm, we test for radio broadcasting license impairment at the unit of accounting level using the income approach, which involves, but is not limited to, judgmental estimates and assumptions about projected revenue growth, future operating margins, discount rates and terminal values. In testing for goodwill impairment, we also rely primarily on the income approach that estimates the fair value of the reporting unit. We then perform a market-based analysis by comparing the average implied multiple arrived at based on our cash flow projections and estimated fair values to multiples for actual recently completed sale transactions and by comparing the total of the estimated fair values of our reporting units to the market capitalization of the Company. We recognize an impairment charge to operations in the amount that the reporting unit's carrying value exceeds its fair value. The impairment charge recognized cannot exceed the total amount of goodwill allocated to the reporting unit.

(g) Impairment of Long-Lived Assets and Intangible Assets, Excluding Goodwill and Indefinite-Lived Intangible Assets

The Company accounts for the impairment of long-lived assets and intangible assets, excluding goodwill and other indefinite-lived intangible assets, in accordance with ASC 360, "*Property, Plant and Equipment*." Long-lived assets, excluding goodwill and other indefinite-lived intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be fully recoverable. These events or changes in circumstances may include a significant deterioration in operating results, changes in business plans, or changes in anticipated future cash flows. If an impairment indicator is present, the Company evaluates recoverability by a comparison of the carrying amount of the asset or group of assets to future undiscounted net cash flows expected to be generated by the asset or group of assets. Assets are grouped at the lowest levels for which there are identifiable cash flows that are largely independent of the cash flows generated by other asset groups. If the assets are impaired, the impairment recognized is measured by the amount by which the carrying amount exceeds the fair value of the asset or group of assets. Fair value is generally determined by estimates of discounted future cash flows. The discount rate used in any estimate of discounted cash flows would be the rate of return for a similar investment of like risk. The Company reviewed these long-lived assets during 2021 and 2020 and concluded that no impairment to the carrying value of these assets was required.

(h) Financial Instruments

Financial instruments as of December 31, 2021 and December 31, 2020, consisted of cash and cash equivalents, restricted cash, trade accounts receivable, asset-backed credit facility, long-term debt and redeemable noncontrolling interests. The carrying amounts approximated fair value for each of these financial instruments as of December 31, 2021 and December 31, 2020, except for the Company's long-term debt. On June 1, 2021, the Company borrowed approximately $7.5 million on a new PPP loan (as defined in Note 9 – *Long-Term Debt*). The PPP Loan had a carrying value of approximately $7.5 million and fair value of approximately $7.5 million as of December 31, 2021. The fair value of the PPP Loan, classified as a Level 2 instrument, was determined based on the fair value of a similar instrument as of the reporting date using updated interest rate information derived from changes in interest rates since inception to the reporting date. On January 25, 2021, the Company borrowed $825 million in aggregate principal amount of senior secured notes due February 2028 (the "2028 Notes"). The 7.375% 2028 Notes had a carrying value of approximately $825.0 million and fair value of approximately $851.8 million as of December 31, 2021. The fair values of the 2028 Notes, classified as Level 2 instruments, were determined based on the trading values of these instruments in an inactive market as of the reporting date. The Company used the net proceeds from the 2028 Notes, together with cash on hand, to repay or redeem: (1) the 2017 Credit Facility; (2) the 2018 Credit Facility; (3) the MGM National Harbor Loan; (4) the remaining amounts of our 7.375% Notes; and (5) our 8.75% Notes that were issued in the November 2020 Exchange Offer (all as defined below). Upon settlement of the 2028 Notes Offering, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged. The 7.375% Senior Secured Notes that are due in April 2022 (the "7.375% Notes") had a carrying value of approximately $3.0 million and fair value of approximately $2.8 million as of December 31, 2020. The fair values of the 7.375% Notes, classified as Level 2 instruments, were determined based on the trading values of these instruments in an inactive market as of the reporting date. On April 18, 2017, the Company closed on a $350.0 million senior secured credit facility (the "2017 Credit Facility") which had a carrying value of approximately $317.3 million and fair value of approximately $293.5 million as of December 31, 2020. The fair value of the 2017 Credit Facility, classified as a Level 2 instrument, was determined based on the trading values of this instrument in an inactive market as of the reporting date. On December 20, 2018, the Company closed on a $192.0 million unsecured credit facility (the "2018 Credit Facility") which had a carrying value of approximately $129.9 million and fair value of approximately $132.5 million as of December 31, 2020. The fair value of the 2018 Credit Facility, classified as a Level 2 instrument, was determined based on the trading values of this instrument in an inactive market as of the reporting date. On December 20, 2018, the Company also closed on a $50.0 million secured credit loan (the "MGM National Harbor Loan") which had a carrying value of approximately $57.9 million and fair value of approximately $64.8 million as of December 31, 2020. The fair value of the 2018 MGM National Harbor Loan, classified as a Level 2 instrument, was determined based on the trading values of this instrument in an inactive market as of the reporting date. On November 9, 2020, we completed an exchange (the "November 2020 Exchange Offer") of 99.15% of our outstanding 7.375% Notes for $347.0 million aggregate principal amount of newly issued 8.75% Senior Secured Notes due December 2022 (the "8.75% Notes"). As of December 31, 2020, the 8.75% Notes had a carrying value of approximately $347.0 million and fair value of approximately $338.0 million. There was no balance outstanding on the Company's asset-backed credit facility as of December 31, 2021 and December 31, 2020.

(i) Revenue Recognition

In accordance with Accounting Standards Codification ("ASC") 606, "*Revenue from Contracts with Customers*," the Company recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services. In general, our spot advertising (both radio and cable television) as well as our digital advertising continues to be recognized when aired and delivered. For our cable television affiliate revenue, the Company grants a license to the affiliate to access its television programming content through the license period, and the Company earns a usage based royalty when the usage occurs, consistent with our previous revenue recognition policy. Finally, for event advertising, the performance obligation is satisfied at a point in time when the activity associated with the event is completed.

Within our radio broadcasting and Reach Media segments, the Company recognizes revenue for broadcast advertising at a point in time when a commercial spot runs. The revenue is reported net of agency and outside sales representative commissions. Agency and outside sales representative commissions are calculated based on a stated percentage applied to gross billing. Generally, clients remit the gross billing amount to the agency or outside sales representative, and the agency or outside sales representative remits the gross billing, less their commission, to the Company. For our radio broadcasting and Reach Media segments, agency and outside sales representative commissions were approximately $16.7 million and $17.5 million for the years ended December 31, 2021 and 2020, respectively.

Within our digital segment, including Interactive One, which generates the majority of the Company's digital revenue, revenue is principally derived from advertising services on non-radio station branded but Company-owned websites. Advertising services include the sale of banner and sponsorship advertisements. Advertising revenue is recognized at a point in time either as impressions (the number of times advertisements appear in viewed pages) are delivered or when "click through" purchases are made, where applicable. In addition, Interactive One derives revenue from its studio operations, in which it provides third-party clients with publishing services including digital platforms and related expertise. In the case of the studio operations, revenue is recognized primarily through fixed contractual monthly fees and/or as a share of the third party's reported revenue.

Our cable television segment derives advertising revenue from the sale of television air time to advertisers and recognizes revenue when the advertisements are run. Advertising revenue is recognized at a point in time when the individual spots run. To the extent there is a shortfall in contracts where the ratings were guaranteed, a portion of the revenue is deferred until the shortfall is settled, typically by providing additional advertising units generally within one year of the original airing. Our cable television segment also derives revenue from affiliate fees under the terms of various multi-year affiliation agreements based on a per subscriber fee multiplied by the most recent subscriber counts reported by the applicable affiliate. The Company recognizes the affiliate fee revenue at a point in time as its performance obligation to provide the programming is met. The Company has a right of payment each month as the programming services and related obligations have been satisfied. For our cable television segment, agency and outside sales representative commissions were approximately $16.9 million and $14.6 million for the years ended December 31, 2021 and 2020, respectively.

Revenue by Contract Type

The following chart shows our net revenue (and sources) for the years ended December 31, 2021 and 2020:

	Year Ended December 31,	
	2021	2020
Net Revenue:		
Radio Advertising	$ 165,244	$ 137,849
Political Advertising	3,494	22,484
Digital Advertising	59,812	34,131
Cable Television Advertising	95,589	79,732
Cable Television Affiliate Fees	102,380	99,489
Event Revenues & Other	14,943	2,652
Net Revenue (as reported)	$ 441,462	$ 376,337

Contract assets and liabilities

Contract assets (unbilled receivables) and contract liabilities (customer advances and unearned income, reserve for audience deficiency and unearned event income) that are not separately stated in our consolidated balance sheets at December 31, 2021 and 2020 were as follows:

	December 31, 2021	December 31, 2020
	(In thousands)	
Contract assets:		
Unbilled receivables	$ 10,735	$ 5,798
Contract liabilities:		
Customer advances and unearned income	$ 7,494	$ 4,955
Reserve for audience deficiency	6,020	3,544
Unearned event income	—	5,921

Unbilled receivables consists of earned revenue on behalf of customers that have not yet been billed and are included in accounts receivable on the consolidated balance sheets. Customer advances and unearned income represents advance payments by customers for future services under contract that are generally incurred in the near term and are included in other current liabilities on the consolidated balance sheets. The reserve for audience deficiency represents the portion of revenue that is deferred until the shortfall in contracts where the ratings were guaranteed is settled, typically by providing additional advertising units generally within one year of the original airing. Unearned event income represents payments by customers for upcoming events.

For customer advances and unearned income as of January 1, 2021, approximately $3.0 million was recognized as revenue during the year ended December 31, 2021. For unearned event income as of January 1, 2021, approximately $5.9 million was recognized during the year ended December 31, 2021 as the event took place during the fourth quarter of 2021. For customer advances and unearned income as of January 1, 2020, approximately $2.3 million was recognized as revenue during the year ended December 31, 2020. For unearned event income as of January 1, 2020, there was no revenue recognized during the year ended December 31, 2020.

Practical expedients and exemptions

We generally expense sales commissions when incurred because the amortization period would have been one year or less. These costs are recorded within selling, general and administrative expenses.

We do not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less or (ii) contracts for which we recognize revenue at the amount to which we have the right to invoice for services performed.

(j) Launch Support

The cable television segment has entered into certain affiliate agreements requiring various payments for launch support. Launch support assets are used to initiate carriage under affiliation agreements and are amortized over the term of the respective contracts. For the year ended December 31, 2021, the Company did not pay any launch support for carriage initiation, however during the year ended December 31, 2020, there was a non-cash launch support addition of approximately $1.7 million for carriage initiation. The weighted-average amortization period for launch support was approximately 7.1 years as of December 31, 2021, and approximately 7.4 years as of December 31, 2020. The remaining weighted-average amortization period for launch support was 3.3 years and 4.5 years as of December 31, 2021 and December 31, 2020, respectively. Amortization is recorded as a reduction to revenue to the extent that revenue is recognized from the vendor, and any excess amortization is recorded as launch support amortization expense. For the years ended December 31, 2021 and 2020, launch support asset amortization of $422,000 and $422,000, respectively, was recorded as a reduction of revenue, and approximately $1.2 million and $664,000, respectively, was recorded as an operating expense in selling, general and administrative expenses. Launch assets are included in other intangible assets on the consolidated balance sheets, except for the portion of the unamortized balance that is expected to be amortized within one year which is included in other current assets.

The gross value and accumulated amortization of the launch assets is as follows:

	As of December 31,	
	2021	2020
	(In thousands)	
Launch assets	$ 9,021	$ 9,021
Less: Accumulated amortization	(4,724)	(3,124)
Launch assets, net	$ 4,297	$ 5,897

Future estimated launch support amortization expense or revenue reduction related to launch assets for years 2022 through 2026 is as follows:

	(In thousands)
2022	$ 1,424
2023	$ 1,424
2024	$ 936
2025	$ 358
2026	$ 155

(k) Barter Transactions

For barter transactions, the Company provides broadcast advertising time in exchange for programming content and certain services. The Company includes the value of such exchanges in both broadcasting net revenue and station operating expenses. The valuation of barter time is based upon the fair value of the network advertising time provided for the programming content and services received. For the years ended December 31, 2021 and 2020, barter transaction revenues were approximately $1.8 million and $2.1 million, respectively. Additionally, for the years ended December 31, 2021 and 2020, barter transaction costs were reflected in programming and technical expenses of approximately $1.2 million and $1.5 million, respectively, and selling, general and administrative expenses of $606,000 and $570,000, respectively.

(l) Advertising and Promotions

The Company expenses advertising and promotional costs as incurred. Total advertising and promotional expenses for the years ended December 31, 2021 and 2020, were approximately $24.7 million and $15.5 million, respectively.

(m) Income Taxes

The Company accounts for income taxes in accordance with ASC 740, "*Income Taxes*" ("ASC 740"). Under ASC 740, deferred tax assets or liabilities are computed based upon the difference between financial statement and income tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized into income in the period of enactment. Deferred income tax expense or benefits are based upon the changes in the net deferred tax asset or liability from period to period.

The Company recognizes deferred tax assets to the extent that it believes that these assets are more likely than not to be realized. In making such a determination, management considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If management determines that the Company would be able to realize its deferred tax assets in the future in excess of their net recorded amount, the Company would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes. Conversely, if management determines that the Company would not be able to realize the recorded amount of deferred tax assets in the future, the Company would make an adjustment to the deferred tax asset valuation allowance, which would increase the provision for income taxes.

The Company records uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) it determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more likely than not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority. The Company recognizes interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying consolidated statements of operations. Accrued interest and penalties are included in other current liabilities on the consolidated balance sheets.

(n) Stock-Based Compensation

The Company accounts for stock-based compensation for stock options and restricted stock grants in accordance with ASC 718, *"Compensation - Stock Compensation."* Under the provisions of ASC 718, stock-based compensation cost for stock options is estimated at the grant date based on the award's fair value as calculated by the Black-Scholes valuation option-pricing model ("BSM") and is recognized as expense ratably over the requisite service period. The BSM incorporates various highly subjective assumptions including expected stock price volatility, for which historical data is heavily relied upon, expected life of options granted, forfeiture rates and interest rates. Compensation expense for restricted stock grants is measured based on the fair value on the date of grant less estimated forfeitures. Compensation expense for restricted stock grants is recognized ratably during the vesting period. The fair value measurement objective for liabilities incurred in a share-based payment transaction is the same as for equity instruments. Awards classified as liabilities are subsequently remeasured to their fair values at the end of each reporting period until the liability is settled. (See Note 8 – *Employment Agreement Award* and Note 11 – *Stockholders' Equity.*)

(o) Segment Reporting and Major Customers

In accordance with ASC 280, "*Segment Reporting*" and given its diversification strategy, the Company has determined it has four reportable segments: (i) radio broadcasting; (ii) Reach Media; (iii) digital; and (iv) cable television. These four segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The radio broadcasting segment consists of all broadcast results of operations. The Reach Media segment consists of the results of operations for the related activities and operations of our syndicated shows. The digital segment includes the results of our online business, including the operations of Interactive One, as well as the digital components of our other reportable segments. The cable television segment consists of the Company's cable TV operation, including TV One's and CLEO TV's results of operations. Corporate/Eliminations represents financial activity associated with our corporate staff and offices and intercompany activity among the four segments.

No single customer accounted for over 10% of our consolidated net revenues or accounts receivable during either of the years ended December 31, 2021 or 2020.

(p) Earnings Per Share

Basic earnings per share is computed on the basis of the weighted average number of shares of common stock (Classes A, B, C and D) outstanding during the period. Diluted earnings per share is computed on the basis of the weighted average number of shares of common stock plus the effect of potential dilutive common shares outstanding during the period using the treasury stock method.

The Company's potentially dilutive securities include stock options and unvested restricted stock. Diluted earnings per share considers the impact of potentially dilutive securities except in periods in which there is a net loss, as the inclusion of the potentially dilutive common shares would have an anti-dilutive effect.

In each of the years ended December 31, 2021 and 2020, the amount of earnings per share would pertain to each of our classes of common stock (Classes A, B, C and D) because the holders of each class are entitled to equal per share dividends or distributions in liquidation in accordance with the Company's Amended and Restated Certificate of Incorporation.

The following table sets forth the calculation of basic and diluted earnings per share from continuing operations (in thousands, except share and per share data):

	Year Ended December 31, 2021	2020
	(Unaudited) (In Thousands)	
Numerator:		
Net income (loss) attributable to common stockholders	$ 38,352	$ (8,113)
Denominator:		
Denominator for basic net income (loss) per share - weighted average outstanding shares	50,163,600	45,041,467
Effect of dilutive securities:		
Stock options and restricted stock	3,973,041	—
Denominator for diluted net income (loss) per share - weighted-average outstanding shares	54,136,641	45,041,467
Net income (loss) attributable to common stockholders per share – basic	$ 0.76	$ (0.18)
Net income (loss) attributable to common stockholders per share –diluted	$ 0.71	$ (0.18)

All stock options and restricted stock awards were excluded from the diluted calculation for the year ended December 31, 2020, as their inclusion would have been anti-dilutive. The following table summarizes the potential common shares excluded from the diluted calculation.

	Year Ended December 31, 2020 (In thousands)
Stock options	4,019
Restricted stock awards	1,879

(q) Fair Value Measurements

We report our financial and non-financial assets and liabilities measured at fair value on a recurring and non-recurring basis under the provisions of ASC 820, *"Fair Value Measurements and Disclosures."* ASC 820 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

The fair value framework requires the categorization of assets and liabilities into three levels based upon the assumptions (inputs) used to price the assets or liabilities. Level 1 provides the most reliable measure of fair value, whereas Level 3 generally requires significant management judgment. The three levels are defined as follows:

Level 1: Inputs are unadjusted quoted prices in active markets for identical assets and liabilities that can be accessed at the measurement date.

Level 2: Observable inputs other than those included in Level 1 (i.e., quoted prices for similar assets or liabilities in active markets or quoted prices for identical assets or liabilities in inactive markets).

Level 3: Unobservable inputs reflecting management's own assumptions about the inputs used in pricing the asset or liability.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value instrument.

As of December 31, 2021, and December 31, 2020, respectively, the fair values of our financial assets and liabilities measured at fair value on a recurring basis are categorized as follows:

	Total	Level 1	Level 2	Level 3
		(In thousands)		
As of December 31, 2021				
Liabilities subject to fair value measurement:				
Employment agreement award (a)	$ 28,193	—	—	$ 28,193
Total	$ 28,193	$ —	$ —	$ 28,193
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests (b)	$ 17,015	$ —	$ —	$ 17,015
As of December 31, 2020				
Liabilities subject to fair value measurement:				
Contingent consideration (c)	$ 780	—	—	$ 780
Employment agreement award (a)	25,603	—	—	25,603
Total	$ 26,383	$ —	$ —	$ 26,383
Mezzanine equity subject to fair value measurement:				
Redeemable noncontrolling interests (b)	$ 12,701	$ —	$ —	$ 12,701

(a) Each quarter, pursuant to an employment agreement (the "Employment Agreement") executed in April 2008, the Chief Executive Officer ("CEO") is eligible to receive an award (the "Employment Agreement Award") amount equal to approximately 4% of any proceeds from distributions or other liquidity events in excess of the return of the Company's aggregate investment in TV One. The Company reviews the factors underlying this award at the end of each quarter including the valuation of TV One (based on the estimated enterprise fair value of TV One as determined by a discounted cash flow analysis). The Company's obligation to pay the award was triggered after the Company recovered the aggregate amount of capital contributions in TV One, and payment is required only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to such invested amount. The long-term portion of the award is recorded in other long-term liabilities and the current portion is recorded in other current liabilities in the consolidated balance sheets. The CEO was fully vested in the award upon execution of the Employment Agreement, and the award lapses if the CEO voluntarily leaves the Company or is terminated for cause. A third-party valuation firm assisted the Company in estimating TV One's fair value using a discounted cash flow analysis. Significant inputs to the discounted cash flow analysis include forecasted operating results, discount rate and a terminal value. In September 2014, the Compensation Committee of the Board of Directors of the Company approved terms for a new employment agreement with the CEO, including a renewal of the Employment Agreement Award upon similar terms as in the prior Employment Agreement.

(b) The redeemable noncontrolling interest in Reach Media is measured at fair value using a discounted cash flow methodology. A third-party valuation firm assisted the Company in estimating the fair value. Significant inputs to the discounted cash flow analysis include forecasted operating results, discount rate and a terminal value.

(c) This balance is measured based on the income approach to valuation in the form of a Monte Carlo simulation. The Monte Carlo simulation method is suited to instances such as this where there is non-diversifiable risk. It is also well-suited to multi-year, path dependent scenarios. Significant inputs to the Monte Carlo method include forecasted net revenues, discount rate and expected volatility. A third-party valuation firm assisted the Company in estimating the contingent consideration.

There were no transfers in or out of Level 1, 2, or 3 during the years ended December 31, 2021 and 2020. The following table presents the changes in Level 3 liabilities measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Contingent Consideration	Employment Agreement Award	Redeemable Noncontrolling Interests
		(In thousands)	
Balance at December 31, 2019	$ 1,921	$ 27,017	$ 10,564
Net income attributable to redeemable noncontrolling interests	—	—	1,544
Dividends paid to redeemable noncontrolling interests	—	—	(2,802)
Distribution	(1,188)	(3,685)	—
Change in fair value	47	2,271	3,395
Balance at December 31, 2020	$ 780	$ 25,603	$ 12,701
Net income attributable to redeemable noncontrolling interests	—	—	2,315
Dividends paid to redeemable noncontrolling interests	—	—	(2,400)
Distribution	(1,060)	(3,573)	—
Change in fair value	280	6,163	4,399
Balance at December 31, 2021	$ —	$ 28,193	$ 17,015
The amount of total income (losses) for the period included in earnings attributable to the change in unrealized losses relating to assets and liabilities still held at December 31, 2021	$ (280)	$ (6,163)	$ —
The amount of total income (losses) for the period included in earnings attributable to the change in unrealized losses relating to assets and liabilities still held at December 31, 2020	$ (47)	$ (2,271)	$ —

Losses and gains included in earnings were recorded in the consolidated statements of operations as corporate selling, general and administrative expenses for the employment agreement award and included as selling, general and administrative expenses for contingent consideration for the years ended December 31, 2021 and 2020.

For Level 3 assets and liabilities measured at fair value on a recurring basis, the significant unobservable inputs used in the fair value measurements were as follows:

Level 3 liabilities	Valuation Technique	Significant Unobservable Inputs	As of December 31, 2021	As of December 31, 2020
			Significant Unobservable Input Value	
Contingent consideration	Monte Carlo Simulation	Expected volatility	*	29.5 %
Contingent consideration	Monte Carlo Simulation	Discount Rate	*	16.5 %
Employment agreement award	Discounted Cash Flow	Discount Rate	9.5 %	10.5 %
Employment agreement award	Discounted Cash Flow	Long-term Growth Rate	0.5 %	1.0 %
Redeemable noncontrolling interest	Discounted Cash Flow	Discount Rate	11.5 %	11.0 %
Redeemable noncontrolling interest	Discounted Cash Flow	Long-term Growth Rate	0.4 %	1.0 %

* Contingent consideration liability is fully settled as of December 31, 2021.

Any significant increases or decreases in discount rate or long-term growth rate inputs could result in significantly higher or lower fair value measurements.

Certain assets and liabilities are measured at fair value on a non-recurring basis using Level 3 inputs as defined in ASC 820. These assets are not measured at fair value on an ongoing basis but are subject to fair value adjustments only in certain circumstances. Included in this category are goodwill, radio broadcasting licenses and other intangible assets, net, that are written down to fair value when they are determined to be impaired, as well as content assets that are periodically written down to net realizable value. There was no impairment recorded for the year ended December 31, 2021 and the Company recorded an impairment charge of approximately $84.4 million for the year ended December 31, 2020 related to goodwill and radio broadcasting licenses.

As of December 31, 2021, the total recorded carrying values of goodwill and radio broadcasting licenses were approximately $223.4 million and $505.2 million, respectively. Pursuant to ASC 350, "*Intangibles – Goodwill and Other*," for the year ended December 31, 2020, the Company recorded an impairment charge of approximately $15.9 million related to its Atlanta market and Indianapolis market goodwill balances and also an impairment charge of approximately $68.5 million associated with our Atlanta, Cincinnati, Dallas, Houston, Indianapolis, Philadelphia, Raleigh, Richmond and St. Louis market radio broadcasting licenses. A description of the Level 3 inputs and the information used to develop the inputs is discussed in Note 4 — *Goodwill, Radio Broadcasting Licenses and Other Intangible Assets.*

(r) Software and Web Development Costs

The Company capitalizes direct internal and external costs incurred to develop internal-use computer software during the application development stage pursuant to ASC 350-40, "*Intangibles – Goodwill and Other.*" Internal-use software is amortized under the straight-line method using an estimated life of three years. All web development costs incurred in connection with operating our websites are accounted for under the provisions of ASC 350-40 and ASC 350-50, "*Website Development Costs*" unless a plan exists or is being developed to market the software externally. The Company has no plans to market software externally.

(s) Redeemable noncontrolling interests

Redeemable noncontrolling interests are interests in subsidiaries that are redeemable outside of the Company's control either for cash or other assets. These interests are classified as mezzanine equity and measured at the greater of estimated redemption value at the end of each reporting period or the historical cost basis of the noncontrolling interests adjusted for cumulative earnings allocations. The resulting increases or decreases in the estimated redemption amount are affected by corresponding charges against retained earnings, or in the absence of retained earnings, additional paid-in-capital.

(t) Investments

Cost Method

On April 10, 2015, the Company made a $5 million investment in MGM's world-class casino property, MGM National Harbor, located in Prince George's County, Maryland, which has a predominately African-American demographic profile. On November 30, 2016, the Company contributed an additional $35 million to complete its investment. This investment further diversified our platform in the entertainment industry while still focusing on our core demographic. We account for this investment on a cost basis. Our MGM National Harbor investment entitles us to an annual cash distribution based on net gaming revenue. The value of our MGM investment is included in other assets on the consolidated balance sheets and its distribution income in the amount of approximately $7.7 million and $4.9 million, for the years ended December 31, 2021 and 2020, respectively, is recorded in other income on the consolidated statements of operations. The cost method investment is subject to a periodic impairment review in the normal course. The Company reviewed the investment during 2021 and 2020 and concluded that no impairment to the carrying value was required. There has been no impairment of the investment to date. As of December 31, 2020, the Company's interest in the MGM National Harbor Casino secured the MGM National Harbor Loan. Upon settlement of the 2028 Notes (which paid off the MGM National Harbor Loan), the Company's subsidiaries of Radio One Entertainment Holdings, LLC and Urban One Entertainment SPV, LLC became guarantors under the 2028 Notes along with the Company's other subsidiaries.

(u) Content Assets

Our cable television segment has entered into contracts to acquire entertainment programming rights and programs from distributors and producers. The license periods granted in these contracts generally run from one year to five years.

Contract payments are made in installments over terms that are generally shorter than the contract period. Each contract is recorded as an asset and a liability at an amount equal to its gross contractual commitment when the license period begins and the program is available for its first airing. For programming that is predominantly monetized as part of a content group, which includes our acquired and commissioned programs, capitalized costs are amortized based on an estimate of our usage and benefit from such programming. The estimates require management's judgement and include consideration of factors such as expected revenues to be derived from the programming, the expected number of future airings, and, if applicable, the length of the license period. Acquired content is generally amortized on a straight-line basis over the term of the license which reflects the estimated usage. For certain content for which the pattern of usage is accelerated, amortization is based upon the actual usage. Amortization of content assets is recorded in the consolidated statement of operations as programming and technical expenses.

The Company also has programming for which the Company has engaged third parties to develop and produce, and it owns most or all rights (commissioned programming). In accordance with ASC 926, "*Entertainment – Films*," content amortization expense for each period is recognized based on the revenue forecast model, which approximates the proportion that estimated advertising and affiliate revenues for the current period represent in relation to the estimated remaining total lifetime revenues as of the beginning of the current period. Management regularly reviews, and revises when necessary, its total revenue estimates, which may result in a change in the rate of amortization and/or a write-down of the asset to fair value.

Content that is predominantly monetized within a film group is assessed for impairment at the film group level and is tested for impairment if circumstances indicate that the fair value of the content within the film group is less than its unamortized costs. A significant decrease in the amount of ultimate revenue expected to be recognized was determined for one of the film groups, and as a result, the Company recorded an impairment and additional amortization expense of $695,000, as a result of evaluating its contracts for impairment for the year ended December 31, 2021. The Company did not record any additional amortization expense for the year ended December 31, 2020. Impairment and amortization of content assets is recorded in the consolidated statements of operations as programming and technical expenses. All produced and licensed content is classified as a long-term asset, except for the portion of the unamortized content balance that is expected to be amortized within one year which is classified as a current asset.

Tax incentives that state and local governments offer that are directly measured based on production activities are recorded as reductions in production costs.

(v) Impact of Recently Issued Accounting Pronouncements

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, "*Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*" ("ASU 2016-13"). ASU 2016-13 is intended to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. In November 2019, the FASB issued ASU 2019-10, "*Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates.*" ASU 2019-10 defers the effective date of credit loss standard ASU 2016-13 by two years for smaller reporting companies and permits early adoption. ASU 2016-13 is effective for the Company beginning January 1, 2023. The Company is evaluating the impact of the adoption of ASU 2016-13 on its financial statements.

In December 2019, the FASB issued ASU 2019-12, "*Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*", which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. ASU 2019-12 is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020. Early adoption is permitted. The Company adopted ASU 2019-12 on January 1, 2020, and adoption did not have a material impact on our consolidated financial statements and related disclosures.

(w) Related Party Transactions

Reach Media operates the Tom Joyner Foundation's Fantastic Voyage® (the "Fantastic Voyage®"), a fund-raising event, on behalf of the Tom Joyner Foundation, Inc. (the "Foundation"), a 501(c)(3) entity. The agreement under which the Fantastic Voyage® operates provides that Reach Media provide all necessary operations of the cruise and that Reach Media will be reimbursed its expenditures and receive a fee plus a performance bonus. Distributions from operating revenues are in the following order until the funds are depleted: up to $250,000 to the Foundation, reimbursement of Reach's expenditures, up to a $1.0 million fee to Reach, a performance bonus of up to 50% of remaining operating revenues to Reach Media, with the balance remaining to the Foundation. For 2021 and 2022, $250,000 to the Foundation is guaranteed. Reach Media's earnings for the Fantastic Voyage® in any given year may not exceed $1.75 million. The Foundation's remittances to Reach Media under the agreements are limited to its Fantastic Voyage® related cash collections. Reach Media bears the risk should the Fantastic Voyage® sustain a loss and bears all credit risk associated with the related passenger cruise package sales. The agreement between Reach and the Foundation automatically renews annually unless termination is mutually agreed or unless a party's financial requirements are not met, in which case the party not in breach of their obligations has the right, but not the obligation, to terminate unilaterally. Due to the pandemic, the 2020 cruise was rescheduled to November 2021 and passengers were given the option to have the majority of their payments refunded. As of December 31, 2021, Reach Media owed the Foundation $41,000 under the agreements for the operation of the cruises and as of December 31, 2020, Reach Media owed the Foundation $244,000 due to passengers' refunds pending.

Reach Media provides office facilities (including office space, telecommunications facilities, and office equipment) to the Foundation. Such services are provided to the Foundation on a pass-through basis at cost. Additionally, from time to time, the Foundation reimburses Reach Media for expenditures paid on its behalf at Reach Media-related events. Under these arrangements, as of December 31, 2021 and 2020, the Foundation owed $4,000 and $6,000, respectively, to Reach Media.

For the year ended December 31, 2021, Reach Media's revenues, expenses, and operating income for the Fantastic Voyage were approximately $7.0 million, $6.6 million, and $400,000, respectively. The Fantastic Voyage took place during the fourth quarter of 2021. Due to the aforementioned rescheduling of the Fantastic Voyage resulting from impacts of the COVID pandemic, no cruise was operated in 2020.

Alfred C. Liggins, President and Chief Executive Officer of Urban One, Inc., is a compensated member of the Board of Directors of Broadcast Music, Inc. ("BMI"), a performance rights organization. During the years ended December 31, 2021 and 2020, the Company incurred expense of approximately $4.7 million and $3.2 million, respectively. As of December 31, 2021 and 2020, the Company owed BMI $423,000 and ($398,000), respectively.

(x) Leases

On January 1, 2019, with the adoption of ASC 842, "*Leases*," the Company adopted a package of practical expedients as allowed by the transition guidance which permitted the Company to carry forward the historical assessment of whether contracts contain or are leases, classification of leases and the remaining lease terms. The Company has also made an accounting policy election to exclude leases with an initial term of twelve months or less from recognition on the consolidated balance sheet. Short-term leases will be expensed over the lease term. The Company also elected to separate the consideration in the lease contracts between the lease and non-lease components. All variable non-lease components are expensed as incurred.

ASC 842 results in significant changes to the balance sheets of lessees, most significantly by requiring the recognition of right of use ("ROU") assets and lease liabilities by lessees for those leases classified as operating leases. Upon adoption of ASC 842, deferred rent balances, which were historically presented separately, were combined and presented net within the ROU asset.

Many of the Company's leases provide for renewal terms and escalation clauses, which are factored into calculating the lease liabilities when appropriate. The implicit rate within the Company's lease agreements is generally not determinable and as such the Company's collateralized borrowing rate is used.

The following table sets forth the components of lease expense and the weighted average remaining lease term and the weighted average discount rate for the Company's leases:

	Year Ended December 31, 2021	2020
	(Dollars In thousands)	
Operating Lease Cost (Cost resulting from lease payments)	$ 13,055	$ 12,687
Variable Lease Cost (Cost excluded from lease payments)	40	143
Total Lease Cost	$ 13,095	$ 12,830
Operating Lease - Operating Cash Flows (Fixed Payments)	$ 13,784	$ 13,243
Operating Lease - Operating Cash Flows (Liability Reduction)	$ 9,124	$ 8,354
Weighted Average Lease Term - Operating Leases	4.94 years	5.37 years
Weighted Average Discount Rate - Operating Leases	11.00 %	11.00 %

As of December 31, 2021, maturities of lease liabilities were as follows:

For the Year Ended December 31,	(Dollars in thousands)
2022	$ 13,685
2023	11,750
2024	10,639
2025	5,903
2026	3,712
Thereafter	8,209
Total future lease payments	53,898
Imputed interest	12,598
Total	$ 41,300

(y) Going Concern Assessment

As part of its internal control framework, the Company routinely performs a going concern assessment. We have concluded that the Company has sufficient capacity to meet its financing obligations, that cash flows from operations are sufficient to meet the liquidity needs and/or has sufficient capacity to access asset-backed facility funds to finance working capital needs should the need arise.

2. ACQUISITIONS AND DISPOSITIONS:

On December 19, 2019, we entered into both an asset purchase agreement ("APA") and a time brokerage agreement ("TBA") with Guardian Enterprise Group, Inc. and certain of its affiliates (collectively, "GEG") with respect to the acquisition and interim operation of low power television station WQMC-LD in Columbus, Ohio. Pursuant to the TBA, in January 2020, we began to operate WQMC-LD until such time as the purchase transaction can close under the APA. Under the terms of the TBA, we pay a monthly fee as well as certain operating costs of WQMC-LD, and, in exchange, we will retain all revenues from the sale of the advertising within the programming. After receipt of FCC approval, we closed the transactions under the APA and took ownership of WQMC-LD on February 24, 2020 for total consideration of $475,000.

On October 30, 2020, we entered into a local marketing agreement ("LMA") with Southeastern Ohio Broadcasting System for the operation of station WWCD-FM in Columbus, Ohio beginning November 2020. Under the terms of the LMA, we will pay a monthly fee as well as certain operating costs, and, in exchange, we will retain all revenues from the sale of the advertising within the programming.

On November 6, 2020, the Company entered into a definitive asset exchange agreement with Audacy, Inc. (formerly Entercom Communications Corp.) whereby the Company received Charlotte stations: WLNK-FM (Adult Contemporary); WBT-AM & FM (News Talk Radio); and WFNZ-AM & 102.5 FM Translator (Sports Radio). As part of the transaction, the Company transferred three radio stations to Audacy: St. Louis, WHHL-FM (Urban Contemporary); Philadelphia, WPHI-FM (Urban Contemporary); and Washington, DC, WTEM-AM (Sports); as well as the intellectual property to its St. Louis radio station, WFUN-FM (Adult Urban Contemporary). The Company and Audacy began operation of the exchanged stations on or about November 23, 2020 under LMAs until FCC approval was obtained. The deal was subject to FCC approval and other customary closing conditions and, after obtaining the approvals, closed on April 20, 2021. In addition, the Company entered into an asset purchase agreement with Gateway Creative Broadcasting, Inc. ("Gateway") for the remaining assets of our WFUN station in a separate transaction which also closed on April 20, 2021. The Company received approximately $8.0 million and exchanged approximately $8.0 million in tangible and intangible assets as part of the transaction with Gateway. The identified assets, with a combined carrying value of approximately $32.7 million, have been classified as held for sale in the consolidated balance sheet at December 31, 2020. The major categories of the assets held for sale include the following:

	As of December 31, 2020
	(In thousands)
Property and equipment, net	$ 2,144
Goodwill	470
Radio broadcasting licenses	30,606
Right of use assets	1,071
Lease liabilities	(1,630)
Assets held for sale, net	$ 32,661

The Company's purchase accounting to reflect the fair value of assets acquired and liabilities assumed consisted of approximately $21.1 million to radio broadcasting licenses, approximately $1.8 million to land and land improvements, approximately $2.0 million to towers and antennas, $517,000 to buildings, approximately $1.0 million to transmitters, $712,000 to studios, $53,000 to vehicles, $200,000 to furniture and fixtures, $67,000 to computer equipment, $19,000 to other equipment, approximately $1.7 million to right of use assets, $1.9 million advertising credit liability, $921,000 to operating lease liabilities, and $812,000 unfavorable lease liability. The fair value of the assets exchanged with Audacy approximate the carrying value of the assets held for sale as of December 31, 2020. The Company recognized a net gain of $404,000 related to the Audacy and Gateway transactions during the year ended December 31, 2021.

3. PROPERTY AND EQUIPMENT:

Property and equipment are carried at cost less accumulated depreciation and amortization. Depreciation is calculated using the straight-line method over the related estimated useful lives. Property and equipment consists of the following:

	As of December 31, 2021	2020	Estimated Useful Lives
	(In thousands)		
Land and improvements	$ 4,128	$ 2,372	—
Buildings	3,241	2,654	31 years
Transmitters and towers	43,466	39,277	7-15 years
Equipment	63,192	59,537	3-7 years
Furniture and fixtures	9,397	9,019	6 years
Software and web development	31,337	29,741	3 years
Leasehold improvements	24,727	24,449	Lease Term
Construction-in-progress	476	372	—
	179,964	167,421	
Less: Accumulated depreciation and amortization	(153,673)	(148,229)	
Property and equipment, net	$ 26,291	$ 19,192	

Depreciation and amortization expense for the years ended December 31, 2021, and 2020 was approximately $9.3 million and $9.7 million, respectively. Repairs and maintenance costs are expensed as incurred. Property and equipment assets identified as assets held for sale are excluded from the table above.

4. GOODWILL, RADIO BROADCASTING LICENSES AND OTHER INTANGIBLE ASSETS:

Impairment Testing

We have historically made acquisitions whereby a significant amount of the purchase price was allocated to radio broadcasting licenses, goodwill and other intangible assets. In accordance with ASC 350, *"Intangibles - Goodwill and Other,"* we do not amortize our radio broadcasting licenses and goodwill. Instead, we perform a test for impairment annually across all reporting units, or on an interim basis when events or changes in circumstances or other conditions suggest impairment may have occurred in any given reporting unit. Other intangible assets continue to be amortized on a straight-line basis over their useful lives. We perform our annual impairment test as of October 1 of each year. There was no impairment recorded for the year ended December 31, 2021 and for the year ended December 31, 2020, we recorded impairment charges against radio broadcasting licenses and goodwill collectively, of approximately $84.4 million.

We did not identify any impairment indicators at any of our reportable segments for the year ended December 31, 2021. We performed our annual impairment testing and no impairment was identified.

Beginning in March 2020, the Company observed that the COVID-19 pandemic and the resulting government stay at home orders were dramatically impacting certain of the Company's revenues. Most notably, a number of advertisers across significant advertising categories had reduced or ceased advertising spend due to the outbreak and stay at home orders which effectively shut many businesses down in the markets in which we operate. This was particularly true within our radio segment which derives substantial revenue from local advertisers who had been particularly hard hit due to social distancing and government interventions.

2021 Annual Impairment Testing

We completed our 2021 annual impairment assessment as of October 1, 2021. Our 2021 annual impairment testing indicated the carrying values for our radio broadcasting licenses and goodwill attributable to Reach Media, TV One, digital and our radio broadcasting reporting units were not impaired.

2020 Interim Impairment Testing

As a result of COVID-19, the total market revenue growth for certain markets in which we operate was below that assumed in our annual impairment testing. During the first quarter of 2020, the Company recorded a non-cash impairment charge of approximately $5.9 million to reduce the carrying value of our Atlanta market and Indianapolis market goodwill balances and the Company recorded a non-cash impairment charge of approximately $47.7 million associated with our Atlanta, Cincinnati, Dallas, Houston, Indianapolis, Philadelphia, Raleigh, Richmond and St. Louis radio market broadcasting licenses. We did not identify any impairment indicators for the three months ended June 30, 2020. Based on market data obtained by the Company in the third quarter of 2020, the total anticipated market revenue growth for certain markets in which we operate continued to be below that assumed in our first quarter impairment testing. We deemed that to be an impairment indicator that warranted interim impairment testing of certain markets' radio broadcasting licenses, which we performed as of September 30, 2020. As a result of that testing, the Company recorded a non-cash impairment charge of approximately $10.0 million related to its Atlanta market and Indianapolis market goodwill balances and the Company recorded a non-cash impairment charge of approximately $19.1 million for the three months ended September 30, 2020 associated with our Atlanta, Cincinnati, Dallas, Houston, Indianapolis, Philadelphia and Raleigh market radio broadcasting licenses.

2020 Annual Impairment Testing

We completed our 2020 annual impairment assessment as of October 1, 2020. Our 2020 annual impairment testing indicated the carrying values for our radio broadcasting licenses and goodwill attributable to Reach Media, TV One, digital and our radio broadcasting reporting units were not impaired. However we recorded an impairment charge of approximately $1.7 million associated with the estimated asset sale consideration for one of our St. Louis radio broadcasting licenses.

Valuation of Broadcasting Licenses

We utilize the services of a third-party valuation firm to assist us in estimating the fair value of our radio broadcasting licenses and reporting units. Fair value is estimated to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. We use the income approach to test for impairment of radio broadcasting licenses. A projection period of 10 years is used, as that is the time horizon in which operators and investors generally expect to recover their investments. When evaluating our radio broadcasting licenses for impairment, the testing is done at the unit of accounting level as determined by ASC 350, *"Intangibles - Goodwill and Other."* In our case, each unit of accounting is a cluster of radio stations into one of our geographical markets. Broadcasting license fair values are based on the discounted future cash flows of the applicable unit of accounting assuming an initial hypothetical start-up operation which possesses FCC licenses as the only asset. Over time, it is assumed the operation acquires other tangible assets such as advertising and programming contracts, employment agreements and going concern value, and matures into an average performing operation in a specific radio market. The income approach model incorporates several variables, including, but not limited to: (i) radio market revenue estimates and growth projections; (ii) estimated market share and revenue for the hypothetical participant; (iii) likely media competition within the market; (iv) estimated start-up costs and losses incurred in the early years; (v) estimated profit margins and cash flows based on market size and station type; (vi) anticipated capital expenditures; (vii) estimated future terminal values; (viii) an effective tax rate assumption; and (ix) a discount rate based on the weighted-average cost of capital for the radio broadcast industry. In calculating the discount rate, we considered: (i) the cost of equity, which includes estimates of the risk-free return, the long-term market return, small stock risk premiums and industry beta; (ii) the cost of debt, which includes estimates for corporate borrowing rates and tax rates; and (iii) estimated average percentages of equity and debt in capital structures.

Our methodology for valuing broadcasting licenses has been consistent for all periods presented. Below are some of the key assumptions used in the income approach model for estimating the broadcasting license and goodwill fair values for the annual impairment testing performed and interim impairment testing where an impairment charge was recorded since January 1, 2020. During the year ended December 31, 2020, the Company recorded a non-cash impairment charge of approximately $68.5 million associated with our Atlanta, Cincinnati, Dallas, Houston, Indianapolis, Philadelphia, Raleigh, Richmond and St. Louis radio market broadcasting licenses.

Radio Broadcasting Licenses	**October 1, 2021**	**October 1, 2020**	**September 30, 2020 (a)**	**March 31, 2020 (a)**
Impairment charge (in millions)	$ —	$ 1.7*	$ 19.1	$ 47.7
Discount Rate	9.0 %	9.0 %	9.0 %	9.5 %
Year 1 Market Revenue Growth Rate Range	6.1% – 8.0 %	(10.7)% – (16.0) %	(10.7)% – (16.8) %	(13.3)%
Long-term Market Revenue Growth Rate Range	0.7% – 1.0 %	0.7% – 1.1 %	0.7% – 1.1 %	0.7% – 1.1 %
Mature Market Share Range	6.2% – 23.2 %	6.7% – 23.9 %	6.7% – 23.9 %	6.9% – 25.0 %
Mature Operating Profit Margin Range	26.9% – 36.1 %	27.7% – 37.1 %	27.7% – 37.1 %	27.6% – 39.7 %

(a) Reflects changes only to the key assumptions used in the interim testing for certain units of accounting.
(*) License fair value based on estimated asset sale consideration.

Broadcasting Licenses Valuation Results

The Company's total broadcasting licenses carrying value is approximately $505.2 million as of December 31, 2021. The units of accounting reflected in the table below are not disclosed on a specific market basis so as to not make sensitive information publicly available that could be competitively harmful to the Company.

	Radio Broadcasting Licenses Carrying Balances		
Unit of Accounting	**As of December 31, 2020**	**Net Increase (Decrease)**	**As of December 31, 2021**
		(In thousands)	
Unit of Accounting 2	$ 3,086	—	3,086
Unit of Accounting 5	13,525	—	13,525
Unit of Accounting 7	15,223	—	15,223
Unit of Accounting 11	15,560	—	15,560
Unit of Accounting 4	16,142	21,082	37,224
Unit of Accounting 14	19,070	—	19,070
Unit of Accounting 6	22,642	—	22,642
Unit of Accounting 12	32,968	—	32,968
Unit of Accounting 13	39,646	—	39,646
Unit of Accounting 8	52,515	—	52,515
Unit of Accounting 16	54,670	—	54,670
Unit of Accounting 1	84,369	—	84,369
Unit of Accounting 10	114,650	—	114,650
Total	$ 484,066	$ 21,082	$ 505,148

Our licenses expire at various dates through August 1, 2029. The FCC grants radio broadcast station licenses for specific periods of time and, upon application, may renew them for additional terms. A station may continue to operate beyond the expiration date of its license if a timely filed license renewal application is pending. Under the Communications Act, radio broadcast station licenses may be granted for a maximum term of eight years. The FCC may grant the license renewal application with or without conditions, including renewal for a term less than the maximum otherwise permitted. Historically, our licenses have been renewed for full eight-year terms without any conditions or sanctions; however, there can be no assurance that the licenses of each of our stations will be renewed for a full term without conditions or sanctions.

Valuation of Goodwill

The impairment testing of goodwill is performed at the reporting unit level. We had 16 reporting units as of our October 2021 annual impairment assessment, consisting of each of the 13 radio markets within the radio division and each of the other three business divisions. In testing for the impairment of goodwill, we primarily rely on the income approach. The approach involves a 10-year model with similar variables as described above for broadcasting licenses, except that the discounted cash flows are based on the Company's estimated and projected market revenue, market share and operating performance for its reporting units, instead of those for a hypothetical participant. We use a 5-year model for our Reach Media reporting unit. We evaluate all events and circumstances on an interim basis to determine if an impairment indicator is present and also perform annual testing by comparing the fair value of the reporting unit with its carrying amount. We recognize an impairment charge to operations in the amount that the reporting unit's carrying value exceeds its fair value. The impairment charge recognized cannot exceed the total amount of goodwill allocated to the reporting unit.

We have not made any changes to the methodology for valuing or allocating goodwill when determining the fair values of the reporting units. As noted above, we did not identify any impairment indicators at any of our reportable segments for the year ended December 31, 2021. Also as noted above, during the first and third quarters of 2020 due to the COVID-19 pandemic, we identified impairment indicators at certain of our radio markets, and, as such, we performed an interim analysis for certain radio market goodwill. During the three months ended March 31, 2020, the Company recorded a non-cash impairment charge of approximately $5.9 million to reduce the carrying value of our Atlanta and Indianapolis market goodwill balances. We did not identify any impairment indicators at any of our other reportable segments for the three months ended June 30, 2020. During the three months ended September 30, 2020, the Company recorded a non-cash impairment charge of approximately $10.0 million related to its Atlanta market and Indianapolis market goodwill balances.

Below are some of the key assumptions used in the income approach model for estimating reporting unit fair values for the annual impairment assessments performed and interim impairment testing where an impairment charge was recorded since January 1, 2020.

Goodwill (Radio Market Reporting Units)	**October 1, 2021 (a)**	**October 1, 2020 (a)**	**September 30, 2020 (a)**	**March 31, 2020(a)**
Impairment charge (in millions)	$ —	$ —	$ 10.0	$ 5.9
Discount Rate	9.0 %	9.0 %	9.0 %	9.5 %
Year 1 Market Revenue Growth Rate Range	(10.7)% – 25.4 %	(12.9)% – 25.9 %	(26.6)% – 34.7 %	(14.5)% – (12.9) %
Long-term Market Revenue Growth Rate Range	0.7% – 1.0 %	0.7% – 1.1 %	0.9% – 1.1 %	0.9% – 1.1 %
Mature Market Share Range	6.2% – 16.0 %	6.8% – 16.8 %	8.4% – 12.7 %	11.1% – 13.0 %
Mature Operating Profit Margin Range	21.2% – 47.3 %	27.7% – 49.1 %	27.7% – 48.1 %	29.4% – 39.0 %

(a) Reflects the key assumptions for testing only those radio markets with remaining goodwill.

Below are some of the key assumptions used in the income approach model for estimating the fair value for Reach Media for the annual and interim impairment assessments performed since October 2020. When compared to the discount rates used for assessing radio market reporting units, the higher discount rates used in these assessments reflect a premium for a riskier and broader media business, with a heavier concentration and significantly higher amount of programming content assets that are highly dependent on a single on-air personality. As a result of our impairment assessments, the Company concluded that the goodwill was not impaired.

Reach Media Segment Goodwill	**October 1, 2021**	**October 1, 2020**
Impairment charge (in millions)	$ —	$ —
Discount Rate	11.5 %	11.0 %
Year 1 Revenue Growth Rate	(15.7)%	22.1 %
Long-term Revenue Growth Rate (Year 5)	1.0 %	1.0 %
Operating Profit Margin Range	24.1 – 26.2 %	18.0% - 19.1 %

Below are some of the key assumptions used in the income approach model for determining the fair value of our digital reporting unit since October 2020. When compared to discount rates for the radio reporting units, the higher discount rate used to value the reporting unit is reflective of discount rates applicable to internet media businesses. As a result of our impairment assessments, the Company concluded that the goodwill was not impaired.

Digital Segment Goodwill	**October 1, 2021**	**October 1, 2020**
Impairment charge (in millions)	$ —	$ —
Discount Rate	14.0 %	14.0 %
Year 1 Revenue Growth Rate	(20.4)%	(5.4)%
Long-term Revenue Growth Rate (Years 6 – 10)	2.5% - 6.8 %	3.4% - 6.0 %
Operating Profit Margin Range	(5.2)% - 14.3 %	(12.5)% - 13.1 %

Below are some of the key assumptions used in the income approach model for determining the fair value of our cable television segment since October 2020. As a result of the testing performed, the Company concluded no impairment to the carrying value of goodwill had occurred.

Cable Television Segment Goodwill	**October 1, 2021**	**October 1, 2020**
Impairment charge (in millions)	$ —	$ —
Discount Rate	9.5 %	10.5 %
Year 1 Revenue Growth Rate	11.6 %	4.5 %
Long-term Revenue Growth Rate Range (Years 6 – 10)	0.4% - 0.6 %	0.6% - 1.5 %
Operating Profit Margin Range	34.9% - 46.4 %	37.2% - 46.1 %

The above goodwill tables reflect some of the key valuation assumptions used for 11 of our 16 reporting units. The other five remaining reporting units had no goodwill carrying value balances as of December 31, 2021.

Goodwill Valuation Results

The table below presents the changes in Company's goodwill carrying values for its four reportable segments during 2021 and 2020:

	Radio Broadcasting Segment	Reach Media Segment	Digital Segment	Cable Television Segment	Total
			(In thousands)		
Gross goodwill	$ 155,000	$ 30,468	$ 27,567	$ 165,044	$ 378,079
Additions	—	—	—	—	—
Impairments	(15,900)	—	—	—	(15,900)
Accumulated impairment losses	(101,848)	(16,114)	(20,345)	—	(138,307)
Assets held for sale	(470)	—	—	—	(470)
Net goodwill at December 31, 2020	$ 36,782	$ 14,354	$ 7,222	$ 165,044	$ 223,402
Gross goodwill	$ 155,000	$ 30,468	$ 27,567	$ 165,044	$ 378,079
Additions	—	—	—	—	—
Impairments	—	—	—	—	—
Accumulated impairment losses	(117,748)	(16,114)	(20,345)	—	(154,207)
Audacy asset exchange	(470)	—	—	—	(470)
Net goodwill at December 31, 2021	$ 36,782	$ 14,354	$ 7,222	$ 165,044	$ 223,402

In arriving at the estimated fair values for radio broadcasting licenses and goodwill, we also performed an analysis by comparing our overall average implied multiple based on our cash flow projections and fair values to recently completed sales transactions, and by comparing our estimated fair values to the market capitalization of the Company. The results of these comparisons confirmed that the fair value estimates resulting from our annual assessments in 2021 were reasonable.

Intangible Assets Excluding Goodwill and Radio Broadcasting Licenses

Other intangible assets, excluding goodwill, radio broadcasting licenses and the unamortized brand name, are being amortized on a straight-line basis over various periods. Other intangible assets consist of the following:

	As of December 31,		Period of Amortization	Remaining Weighted-Average Period of Amortization
	2021	2020		
	(In thousands)			
Trade names	$ 17,425	$ 17,425	1-5 Years	1.8 Years
Intellectual property	9,531	9,531	4-10 Years	0.0 Years
Acquired income leases	127	127	3-15 Years	9.1 Years
Advertiser agreements	46,582	46,789	1-12 Years	1.3 Years
Favorable office and transmitter leases	2,097	2,097	2-60 Years	38.3 Years
Brand names	4,413	4,413	10 Years	5.9 Years
Brand names - unamortized	39,690	39,690	Indefinite	—
Debt cost	1,267	2,053	Debt term	4.1 Years
Launch assets	9,021	9,021	Contract length	3.3 Years
Other intangibles	715	675	1-5 Years	1.0 Years
	130,868	131,821		
Less: Accumulated amortization	(80,709)	(75,768)		
Other intangible assets, net	$ 50,159	$ 56,053		4.3 Years

Amortization expense of intangible assets for the years ended December 31, 2021 and 2020 was approximately $3.7 million and $3.9 million, respectively.

The following table presents the Company's estimate of amortization expense for the years 2022 through 2026 for intangible assets:

		(In thousands)
2022	$	3,651
2023	$	1,225
2024	$	222
2025	$	185
2026	$	165

The table above excludes launch asset amortization as it is recorded as a reduction to revenue. Actual amortization expense may vary as a result of future acquisitions and dispositions.

5. CONTENT ASSETS:

The gross cost and accumulated amortization of content assets is as follows:

	As of December 31,		Period of Amortization
	2021	2020	
	(In thousands)		
Produced content assets:			
Completed	$ 397,174	$ 365,806	
In-production	12,124	11,029	
Licensed content assets acquired:			
Acquired	66,005	56,913	
Content assets, at cost	475,303	433,748	1-5 Years
Less: Accumulated amortization	(389,265)	(342,139)	
Content assets, net	86,038	91,609	
Current portion	(25,883)	(28,434)	
Noncurrent portion	$ 60,155	$ 63,175	

Produced content assets include certain unamortized costs that will not be 80% amortized within three years from December 31, 2021, totaling approximately $18.3 million. Approximately 55.8% of these unamortized costs are expected to be amortized within three years from December 31, 2021. The remaining balance of these costs will be amortized through the year ending December 31, 2027. Amortization of content assets is recorded in the consolidated statements of operations as programming and technical expenses.

Future estimated content amortization expense related to agreements entered into as of December 31, 2021, for years 2022 through 2026 is as follows:

		(In thousands)
2022	$	25,883
2023	$	18,724
2024	$	8,505
2025	$	6,600
2026	$	2,297

Future estimated content amortization expense is not included for in-production content assets in the table above.

Future minimum content payments required under agreements entered into as of December 31, 2021, are as follows:

		(In thousands)
2022	$	18,972
2023	$	2,865

6. INVESTMENTS:

Cost Method

On April 10, 2015, the Company made a $5 million investment in MGM's world-class casino property, MGM National Harbor, located in Prince George's County, Maryland, which has a predominately African-American demographic profile. On November 30, 2016, the Company contributed an additional $35 million to complete its investment. This investment further diversified our platform in the entertainment industry while still focusing on our core demographic. We account for this investment on a cost basis. Our MGM National Harbor investment entitles us to an annual cash distribution based on net gaming revenue. The value of our MGM investment is included in other assets on the consolidated balance sheets and its distribution income in the amount of approximately $7.7 million and $4.9 million, for the years ended December 31, 2021 and 2020, respectively, is recorded in other income on the consolidated statements of operations. The cost method investment is subject to a periodic impairment review in the normal course. The Company reviewed the investment and concluded that no impairment to the carrying value was required. There has been no impairment of the investment to date. As of December 31, 2020, the Company's interest in the MGM National Harbor Casino secured the MGM National Harbor Loan (as defined in Note 9 - *Long-Term Debt.)* Upon settlement of the 2028 Notes (which paid off the MGM National Harbor Loan), the Company's subsidiaries of Radio One Entertainment Holdings, LLC and Urban One Entertainment SPV, LLC became guarantors under the 2028 Notes along with the Company's other subsidiaries.

7. OTHER CURRENT LIABILITIES:

Other current liabilities consist of the following:

	As of December 31,	
	2021	2020
	(In thousands)	
Deferred revenue	$ 7,494	$ 10,875
Deferred barter revenue	1,271	935
Employment Agreement Award	3,966	3,325
Accrued national representative fees	457	1,087
Accrued miscellaneous taxes	213	562
Income taxes payable	283	600
Tenant allowance	180	242
Contingent consideration	—	780
Reserve for audience deficiency	6,020	3,544
Other current liabilities	6,537	4,967
Other current liabilities	$ 26,421	$ 26,917

8. EMPLOYMENT AGREEMENT AWARD:

The Company accounts for an award called for in the CEO's employment agreement (the "Employment Agreement Award") at fair value. The Company estimated the fair value of the award at December 31, 2021 and 2020, to be approximately $28.2 million and $25.6 million, respectively, and accordingly adjusted its liability to this amount. The long-term portion is recorded in other long-term liabilities and the current portion is recorded in other current liabilities in the consolidated balance sheets. The expense associated with the Employment Agreement Award was recorded in the consolidated statements of operations as corporate selling, general and administrative expenses and was approximately $6.2 million and $2.3 million for the years ended December 31, 2021 and 2020, respectively.

The Company's obligation to pay the Employment Agreement Award was triggered after the Company recovered the aggregate amount of its capital contribution in TV One and only upon actual receipt of distributions of cash or marketable securities or proceeds from a liquidity event with respect to the Company's aggregate investment in TV One. The CEO was fully vested in the award upon execution of the employment agreement, and the award lapses if the CEO voluntarily leaves the Company, or is terminated for cause. In September 2014, the Compensation Committee of the Board of Directors of the Company approved terms for a new employment agreement with the CEO, including a renewal of the Employment Agreement Award upon similar terms as in the prior employment agreement.

9. LONG-TERM DEBT:

Long-term debt consists of the following:

	As of December 31,	
	2021	2020
	(In thousands)	
7.375% Senior Secured Notes due February 2028	$ 825,000	$ —
PPP Loan	7,505	—
2018 Credit Facility	—	129,935
MGM National Harbor Loan	—	57,889
2017 Credit Facility	—	317,332
8.75% Senior Secured Notes due December 2022	—	347,016
7.375% Senior Secured Notes due April 2022	—	2,984
Total debt	832,505	855,156
Less: current portion of long-term debt	—	23,362
Less: original issue discount and issuance costs	13,889	12,870
Long-term debt, net	$ 818,616	$ 818,924

2028 Notes

On January 7, 2021, the Company launched an offering (the “2028 Notes Offering”) of $825 million in aggregate principal amount of 7.375% senior secured notes due 2028 (the “2028 Notes”) in a private offering exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”). On January 8, 2021, the Company entered into a purchase agreement with respect to the 2028 Notes at an issue price of 100% and the 2028 Notes Offering closed on January 25, 2021. The 2028 Notes are general senior secured obligations of the Company and are guaranteed on a senior secured basis by certain of the Company’s direct and indirect restricted subsidiaries. The 2028 Notes mature on February 1, 2028 and interest on the Notes accrues and is payable semi-annually in arrears on February 1 and August 1 of each year, commencing on August 1, 2021 at the rate of 7.375% per annum.

The Company used the net proceeds from the 2028 Notes Offering, together with cash on hand, to repay or redeem: (1) the 2017 Credit Facility; (2) the 2018 Credit Facility; (3) the MGM National Harbor Loan; (4) the remaining amounts of our 7.375% Notes; and (5) our 8.75% Notes that were issued in the November 2020 Exchange Offer (all as defined below). Upon settlement of the 2028 Notes Offering, the 2017 Credit Facility, the 2018 Credit Facility and the MGM National Harbor Loan were terminated and the indentures governing the 7.375% Notes and the 8.75% Notes were satisfied and discharged. There was a net loss on retirement of debt of approximately $6.9 million for the year ended December 31, 2021 associated with the settlement of the 2028 Notes.

The 2028 Notes and the guarantees are secured, subject to permitted liens and except for certain excluded assets (i) on a first priority basis by substantially all of the Company’s and the Guarantors’ current and future property and assets (other than accounts receivable, cash, deposit accounts, other bank accounts, securities accounts, inventory and related assets that secure our asset-backed revolving credit facility on a first priority basis (the “ABL Priority Collateral”)), including the capital stock of each guarantor (collectively, the “Notes Priority Collateral”) and (ii) on a second priority basis by the ABL Priority Collateral.

The associated debt issuance costs in the amount of approximately $15.4 million is being reflected as an adjustment to the carrying amount of the debt obligations and amortized to interest expense over the term of the credit facility using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

The amount of deferred financing costs included in interest expense for all instruments, for the years ended December 31, 2021 and 2020, was approximately $2.3 million and $4.5 million, respectively. The Company's effective interest rate for 2021 was 7.96%.

The Company conducts a portion of its business through its subsidiaries. Certain of the Company's subsidiaries have fully and unconditionally guaranteed the Company's 2028 Notes.

PPP Loan

On January 29, 2021, the Company submitted an application for participation in the second round of the Paycheck Protection Program loan program ("PPP"). On June 1, 2021, the Company received proceeds of approximately $7.5 million. The loan bears interest at a fixed rate of 1% per year and will not be changed during the life of the loan. The loan matures June 1, 2026. The Company is in the process of applying for loan forgiveness. While certain of the PPP loans may be forgivable, until they are repaid or forgiven, the loan amount may constitute debt under the 2028 Notes and increase the Company's leverage.

8.75% Notes

In October 2020, the Company announced an offer to eligible holders of its 7.375% Senior Secured Notes due 2022 (the "7.375% Notes") to exchange any and all of their 7.375% Notes for newly issued 8.75% Senior Secured Notes due 2022 (the "8.75% Notes"). The exchange offer closed on November 9, 2020 and, therefore, is referred to as the "November 2020 Exchange Offer". Until their satisfaction and discharge on settlement of the 2028 Notes, the 8.75% Notes were governed by an indenture, dated November 9, 2020 (the "8.75% Notes Indenture"), by and between the Company, the guarantors therein (the "Guarantors") and Wilmington Trust, National Association, as trustee (in such capacity, the "8.75% Notes Trustee") and as notes collateral agent (in such capacity, "the 8.75% Notes Collateral Agent"). Interest on the 8.75% Notes accrued at the rate per annum equal to 8.75% and was payable, in cash, quarterly on January 15, April 15, July 15 and October 15 of each year, commencing on January 15, 2021, to holders of record on the immediately preceding January 1, April 1, July 1 and October 1, respectively.

The 8.75% Notes were general senior obligations and were guaranteed (the "Guarantees") by the Guarantors. The 8.75% Notes and the Guarantees: (i) ranked equal in right of payment to all of the Company's and the Guarantor's existing and future senior indebtedness, (ii) were secured on a first-priority basis by the Notes Priority Collateral (as defined below) and on a second-priority basis by the ABL Priority Collateral (defined below) owned by the Company and the applicable Guarantor, in each case subject to certain liens permitted under the 8.75% Notes Indenture, (iii) were equal in priority to the collateral owned by the Company and the Guarantor with respect to obligations under the credit agreement, dated as of April 18, 2017, by and among the Company, various lenders therein and Guggenheim Securities Credit Partners, LLC, as administrative agent and any other Parity Lien Debt (as described in the 8.75% Notes Indenture), if any, incurred after the date the 8.75% Notes were issued, (iv) ranked senior in right of payment to any existing or future subordinated indebtedness of the Company or Guarantors, (v) were initially guaranteed on a senior basis by each of the Company's wholly-owned domestic subsidiaries (other than certain immaterial subsidiaries, unrestricted subsidiaries, and other certain exceptions), (vi) were effectively senior to all of the Company's and the Guarantor's existing and future unsecured indebtedness to the extent of the value of the collateral owned by the Company or applicable Guarantors and effectively senior to all existing and future ABL Debt Obligations (as defined in the 8.75% Notes Indenture) to the extent of the value of the Notes Priority Collateral (as defined below) owned by the Company or applicable Guarantor, (vii) were effectively subordinated to all of the Company's and the Guarantor's existing and future indebtedness that was secured by liens on assets that do not secure the Notes or the Guarantee to the extent of the value of such assets, (viii) were structurally subordinated to all of the Company's and the Guarantor's existing and future indebtedness and other claims and liabilities, including preferred stock, of subsidiaries of the Company that are not guarantors, and (ix) were effectively senior to any 7.375% Notes that remain outstanding after the November 2020 Exchange Offer with respect to any collateral proceeds.

The 8.75% Notes and the guarantees were secured, subject to permitted liens and except for certain excluded assets (i) on a first priority basis by substantially all of the Company's and the Guarantors' current and future property and assets (other than accounts receivable, cash, deposit accounts, other bank accounts, securities accounts, inventory and related assets that secure our asset-backed revolving credit facility on a first priority basis (the "ABL Priority Collateral"), including the capital stock of each Guarantor (which, in the case of foreign subsidiaries, is limited to 65% of the voting stock and 100% of the non-voting stock of each first-tier foreign subsidiary) (collectively, the “Notes Priority Collateral”) and (ii) on a second priority basis by the ABL Priority Collateral.

In connection with the November 2020 Exchange Offer, the 8.75% Notes were subject to a new intercreditor agreement, pursuant to which proceeds received by the 7.375% Notes Trustee with respect to collateral proceeds received by the 7.375% Notes Trustee for the 7.375% Notes under an existing parity lien intercreditor agreement were to be paid over to the 8.75% Notes Trustee for the 8.75% Notes to the extent of the amounts owed to the holders of the 8.75% Notes then outstanding.

The Company could redeem the 8.75% Notes in whole or in part, at its option, upon not less than 30 nor more than 60 days’ prior notice at a redemption price equal to 100% of the principal amount of such 8.75% Notes plus accrued and unpaid interest, if any, to the redemption date.

Within 90 days following the completion of the November 2020 Exchange Offer, the Company was required to repurchase, repay or redeem $15 million aggregate principal amount of the 8.75% Notes. Separately, within five business days after each Excess Cash Flow Calculation Date (as defined in the 8.75% Notes Indenture), the Company was to redeem an aggregate principal amount of 8.75% Notes equal to 50% of the Excess Cash Flow (as defined in the 8.75% Notes Indenture), provided that repurchases, repayments or redemption of 8.75% Notes with internally generated funds during the applicable calculation period would reduce on a dollar-for-dollar basis the amount of such redemption otherwise required on the applicable calculation date. Any such mandatory redemptions were to be at par (plus accrued and unpaid interest).

During the year ended December 31, 2020, the Company recorded a loss on retirement of debt of approximately $2.9 million associated with the November 2020 Exchange Offer. The premium paid to the bondholders in the amount of approximately $3.5 million is being reflected as an adjustment to the carrying amount of the debt obligation and amortized to interest expense over the term of the obligation using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

2018 Credit Facility

On December 4, 2018, the Company and certain of its subsidiaries entered into a credit agreement (“2018 Credit Facility”), among the Company, the lenders party thereto from time to time, Wilmington Trust, National Association, as administrative agent, and TCG Senior Funding L.L.C, as sole lead arranger and sole bookrunner. The 2018 Credit Facility provided $192.0 million in term loan borrowings, which was funded on December 20, 2018. The net proceeds of term loan borrowings under the 2018 Credit Facility were used to refinance, repurchase, redeem or otherwise repay the Company's then outstanding 9.25% Senior Subordinated Notes due 2020.

Until its termination on settlement of the 2028 Notes, borrowings under the 2018 Credit Facility were subject to customary conditions precedent, as well as a requirement under the 2018 Credit Facility that (i) the Company’s total gross leverage ratio on a pro forma basis be not greater than 8:00 to 1:00 (this total gross leverage ratio test steps down as described below), (ii) neither of the administrative agents under the Company’s existing credit facilities nor the trustee under the Company’s existing senior secured notes due 2022 have objected to the terms of the new credit documents and (iii) certification by the Company that the terms and conditions of the 2018 Credit Facility satisfied the requirements of the definition of “Permitted Refinancing” (as defined in the agreements governing the Company's existing credit facilities) and neither of the administrative agents under the Company's existing credit facilities notified the Company within five (5) business days prior to funding the borrowings under the 2018 Credit Facility that it disagreed with such determination (including a reasonable description of the basis upon which it disagrees).

The 2018 Credit Facility was scheduled to mature on December 31, 2022 (the “Maturity Date”). In connection with the November 2020 Exchange Offer, we also entered into an amendment to certain terms of our 2018 Credit Facility including the extension of the maturity date to March 31, 2023. Interest rates on borrowings under the 2018 Credit Facility were either (i) from the Funding Date to the Maturity Date, 12.875% per annum, (ii) 11.875% per annum, once 50% of the term loan borrowings had been repaid or (iii) 10.875% per annum, once 75% of the term loan borrowings had been repaid. Interest payments began on the last day of the 3-month period commencing on the Funding Date. Within 90 days following the completion of the November 2020 Exchange Offer, the Company was required to repay $10 million of the 2018 Credit Facility. The amendment was accounted for as a modification in accordance with the provisions of ASC 470, "*Debt*".

The Company's obligations under the 2018 Credit Facility were not secured. The 2018 Credit Facility was guaranteed on an unsecured basis by each entity that guarantees the Company's outstanding $350.0 million 2017 Credit Facility (as defined below).

The term loans could be voluntarily prepaid prior to February 15, 2020 subject to payment of a prepayment premium. The Company was required to repay principal to the extent then outstanding on each quarterly interest payment date, commencing on the last business day in March 2019, equal to one quarter of 7.5% of the aggregate initial principal amount of all term loans incurred on the Funding Date to December 2019, commencing on the last business day in March 2020, one quarter of 10.0% of the aggregate initial principal amount of all term loans incurred on the Funding Date to December 2021, and, commencing on the last business day in March 2021, one quarter of 12.5% of the aggregate initial principal amount of all term loans incurred on the Funding Date to December 2022. The Company was also required to use 75% of excess cash flow ("ECF payment") as defined in the 2018 Credit Facility, which excluded any distributions to the Company or its restricted subsidiaries in respect of its interests in the MGM National Harbor, to repay outstanding term loans at par, paid semiannually and to use 100% of all distributions to the Company or its restricted subsidiaries received in respect of its interest in the MGM National Harbor to repay outstanding term loans at par. During the year ended December 31, 2020, the Company repaid approximately $37.2 million under the 2018 Credit Facility. Included in the repayments made during the year ended December 31, 2020 was approximately $11.1 million in ECF payments in accordance with the agreement.

The 2018 Credit Facility contained customary representations and warranties and events of default, affirmative and negative covenants (in each case, subject to materiality exceptions and qualifications). The 2018 Credit Facility, as amended, also contained certain financial covenants, including a maintenance covenant requiring the Company's total gross leverage ratio to be not greater than 8.0 to 1.00 in 2019, 7.5 to 1.00 in 2020, 7.25 to 1.00 in 2021, 6.75 to 1.00 in 2022 and 6.25 to 1.00 in 2023.

The original issue discount in the amount of approximately $3.8 million and associated debt issuance costs in the amount of $875,000 were reflected as an adjustment to the carrying amount of the debt obligation and amortized to interest expense over the term of the credit facility using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

MGM National Harbor Loan

Concurrently, on December 4, 2018, Urban One Entertainment SPV, LLC ("UONESPV") and its immediate parent, Radio One Entertainment Holdings, LLC ("ROEH"), each of which is a wholly owned subsidiary of the Company, entered into a credit agreement, providing $50.0 million in term loan borrowings (the "MGM National Harbor Loan") which was funded on December 20, 2018. On June 25, 2020, the Company borrowed an incremental $3.6 million on the MGM National Harbor Loan and used the proceeds to pay down the higher coupon 2018 Credit Facility by the same amount.

Until its termination on settlement of the 2028 Notes, the MGM National Harbor Loan was scheduled to mature on December 31, 2022 and bore interest at 7.0% per annum in cash plus 4.0% per annum paid-in kind. The loan had limited ability to be prepaid in the first two years. The loan was secured on a first priority basis by the assets of UONESPV and ROEH, including all of UONESPV's shares held by ROEH, all of UONESPV's interests in MGM National Harbor, its rights under the joint venture operating agreement governing the MGM National Harbor and UONESPV's obligation to exercise its put right under the joint venture operating agreement in the event of a UONESPV payment default or bankruptcy event, in each case, subject to applicable Maryland gaming laws and approvals. Exercise by UONESPV of its put right under the joint venture operating agreement was subject to required lender consent unless the proceeds are used to retire the MGM National Harbor Loan and any remaining excess is used to repay borrowings, if any, under the 2018 Credit Facility. The MGM National Harbor Loan also contained customary representations and warranties and events of default, affirmative and negative covenants (in each case, subject to materiality exceptions and qualifications).

The original issue discount in the amount of approximately $1.0 million and associated debt issuance costs in the amount of approximately $1.7 million was being reflected as an adjustment to the carrying amount of the debt obligation and amortized to interest expense over the term of the obligation using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

2017 Credit Facilities

On April 18, 2017, the Company closed on a senior secured credit facility (the “2017 Credit Facility”). The 2017 Credit Facility was governed by a credit agreement by and among the Company, the lenders party thereto from time to time and Guggenheim Securities Credit Partners, LLC, as administrative agent, The Bank of New York Mellon, as collateral agent, and Guggenheim Securities, LLC as sole lead arranger and sole book running manager. The 2017 Credit Facility provided for $350 million in term loan borrowings, all of which was advanced and outstanding on the date of the closing of the transaction.

Until its termination on settlement of the 2028 Notes, the 2017 Credit Facility matured on the earlier of (i) April 18, 2023, or (ii) in the event such debt is not repaid or refinanced, 91 days prior to the maturity of the Company’s 7.375% Notes (as defined below). At the Company’s election, the interest rate on borrowings under the 2017 Credit Facility are based on either (i) the then applicable base rate (as defined in the 2017 Credit Facility) as, for any day, a rate per annum (rounded upward, if necessary, to the next 1/100th of 1%) equal to the greater of (a) the prime rate published in the Wall Street Journal, (b) 1/2 of 1% in excess rate of the overnight Federal Funds Rate at any given time, (c) the one-month LIBOR rate commencing on such day plus 1.00%) and (d) 2%, or (ii) the then applicable LIBOR rate (as defined in the 2017 Credit Facility). The average interest rate was approximately 5.00% for 2021 and was 5.17% for 2020.

The 2017 Credit Facility was (i) guaranteed by each entity that guarantees the Company’s 7.375% Notes on a pari passu basis with the guarantees of the 7.375% Notes and (ii) secured on a pari passu basis with the Company’s 7.375% Notes. The Company’s obligations under the 2017 Credit Facility were secured, subject to permitted liens and except for certain excluded assets (i) on a first priority basis by certain notes priority collateral, and (ii) on a second priority basis by collateral for the Company’s asset-backed line of credit.

In addition to any mandatory or optional prepayments, the Company was required to pay interest on the term loans (i) quarterly in arrears for the base rate loans, and (ii) on the last day of each interest period for LIBOR loans. Certain voluntary prepayments of the term loans during the first six months required an additional prepayment premium. Beginning with the interest payment date occurring in June 2017 and ending in March 2023, the Company was required to repay principal, to the extent then outstanding, equal to 1⁄4 of 1% of the aggregate initial principal amount of all term loans incurred on the effective date of the 2017 Credit Facility. On December 19, 2018, upon drawing under the 2018 Credit Facility and MGM National Harbor Loan, the Company voluntarily prepaid approximately $20.0 million in principal on the 2017 Credit Facility. During the year ended December 31, 2020, the Company repaid approximately $3.3 million under the 2017 Credit Facility.

The 2017 Credit Facility contained customary representations and warranties and events of default, affirmative and negative covenants (in each case, subject to materiality exceptions and qualifications) which may be more restrictive than those governing the 7.375% Notes. The 2017 Credit Facility also contained certain financial covenants, including a maintenance covenant requiring the Company’s interest expense coverage ratio (defined as the ratio of consolidated EBITDA to consolidated interest expense) to be greater than or equal to 1.25 to 1.00 and its total senior secured leverage ratio (defined as the ratio of consolidated net senior secured indebtedness to consolidated EBITDA) to be less than or equal to 5.85 to 1.00.

The net proceeds from the 2017 Credit Facility were used to prepay in full the Company’s previous senior secured credit facility and the agreement governing such credit facility.

The 2017 Credit Facility contained affirmative and negative covenants that the Company was required to comply with, including:

(a) maintaining an interest coverage ratio of no less than:

- 1.25 to 1.00 on June 30, 2017 and the last day of each fiscal quarter thereafter.

(b) maintaining a senior leverage ratio of no greater than:

- 5.85 to 1.00 on June 30, 2017 and the last day of each fiscal quarter thereafter.

(c) limitations on:

- liens;
- sale of assets;
- payment of dividends; and
- mergers.

The original issue discount is being reflected as an adjustment to the carrying amount of the debt obligations and amortized to interest expense over the term of the credit facility using the effective interest rate method. The amortization of deferred financing costs was charged to interest expense for all periods presented.

7.375% Notes

On April 17, 2015, the Company closed a private offering of $350.0 million aggregate principal amount of 7.375% senior secured notes due 2022 (the "7.375% Notes"). The 7.375% Notes were offered at an original issue price of 100.0% plus accrued interest from April 17, 2015, and matured on April 15, 2022. Interest on the 7.375% Notes accrued at the rate of 7.375% per annum and was payable semiannually in arrears on April 15 and October 15, which commenced on October 15, 2015. The 7.375% Notes were guaranteed, jointly and severally, on a senior secured basis by the Company's existing and future domestic subsidiaries, including TV One.

The Company used the net proceeds from the 7.375% Notes, to refinance a previous credit agreement, refinance certain TV One indebtedness, and finance the buyout of membership interests of Comcast in TV One and pay the related accrued interest, premiums, fees and expenses associated therewith.

Until their satisfaction and discharge on settlement of the 2028 Notes, the 7.375% Notes were the Company's senior secured obligations and ranked equal in right of payment with all of the Company's and the guarantors' existing and future senior indebtedness, including obligations under the 2017 Credit Facility and the Company's previously existing senior subordinated notes. The 7.375% Notes and related guarantees were equally and ratably secured by the same collateral securing the 2017 Credit Facility and any other parity lien debt issued after the issue date of the 7.375% Notes, including any additional notes issued under the Indenture, but were effectively subordinated to the Company's and the guarantors' secured indebtedness to the extent of the value of the collateral securing such indebtedness that does not also secure the 7.375% Notes. Collateral included substantially all of the Company's and the guarantors' current and future property and assets for accounts receivable, cash, deposit accounts, other bank accounts, securities accounts, inventory and related assets including the capital stock of each subsidiary guarantor.

On November 9, 2020, we completed the November 2020 Exchange Offer of 99.15% of our outstanding 7.375% Notes for $347 million aggregate principal amount of 8.75% Notes.

Asset-Backed Credit Facilities

On April 21, 2016, the Company entered into a senior credit agreement governing an asset-backed credit facility (the "2016 ABL Facility") among the Company, the lenders party thereto from time to time and Wells Fargo Bank National Association, as administrative agent (the "Administrative Agent"). The 2016 ABL Facility originally provided for $25 million in revolving loan borrowings in order to provide for the working capital needs and general corporate requirements of the Company. On November 13, 2019, the Company entered into an amendment to the 2016 ABL Facility, (the "2016 ABL Amendment"), which increased the borrowing capacity from $25 million in revolving loan borrowings to $37.5 million in order to provide for the working capital needs and general corporate requirements of the Company and provides for a letter of credit facility up to $7.5 million as a part of the overall $37.5 million in capacity. The 2016 ABL Amendment also redefined the "Maturity Date" to be "the earlier to occur of (a) April 21, 2021 and (b) the date that is thirty (30) days prior to the earlier to occur of (i) the Term Loan Maturity Date (as defined in the Term Loan Credit Agreement as in effect on the Effective Date or as the same may be extended in accordance with the terms of the Term Loan Credit Agreement), and (ii) the Stated Maturity (as defined in the Senior Secured Notes Indenture (as defined in the Term Loan Credit Agreement)) of the Notes (as defined in the Senior Secured Notes Indenture as in effect on the Effective Date or as the same may be extended in accordance with the terms of the Senior Secured Notes Indenture)."

At the Company's election, the interest rate on borrowings under the 2016 ABL Facility are based on either (i) the then applicable margin relative to Base Rate Loans (as defined in the 2016 ABL Facility) or (ii) the then applicable margin relative to LIBOR Loans (as defined in the 2016 ABL Facility) corresponding to the average availability of the Company for the most recently completed fiscal quarter.

Advances under the 2016 ABL Facility are limited to (a) eighty-five percent (85%) of the amount of Eligible Accounts (as defined in the 2016 ABL Facility), less the amount, if any, of the Dilution Reserve (as defined in the 2016 ABL Facility), minus (b) the sum of (i) the Bank Product Reserve (as defined in the 2016 ABL Facility), plus (ii) the aggregate amount of all other reserves, if any, established by Administrative Agent.

All obligations under the 2016 ABL Facility are secured by first priority lien on all (i) deposit accounts (related to accounts receivable), (ii) accounts receivable, (iii) all other property which constitutes ABL Priority Collateral (as defined in the 2016 ABL Facility). The obligations are also secured by all material subsidiaries of the Company.

The 2016 ABL Facility was subject to the terms of the Intercreditor Agreement (as defined in the 2016 ABL Facility) by and among the Administrative Agent, the administrative agent for the secured parties under the Company's term loan and the trustee and collateral trustee under the senior secured notes indenture.

In connection with the offering of the 2028 Notes, the Company entered into an amendment of its 2016 ABL Facility to facilitate the issuance of the 2028 Notes. The amendments to the 2016 ABL Facility, include, among other things, a consent to the issuance of the 2028 Notes, revisions to terms and exclusions of collateral and addition of certain subsidiaries as guarantors.

On February 19, 2021, the Company closed on a new asset backed credit facility (the "Current 2021 ABL Facility"). The Current 2021 ABL Facility is governed by a credit agreement by and among the Company, the other borrowers party thereto, the lenders party thereto from time to time and Bank of America, N.A., as administrative agent. The Current 2021 ABL Facility provides for up to $50 million revolving loan borrowings in order to provide for the working capital needs and general corporate requirements of the Company. The Current 2021 ABL Facility also provides for a letter of credit facility up to $5 million as a part of the overall $50 million in capacity. On closing of the Current 2021 ABL Facility, the 2016 ABL Facility was terminated on February 19, 2021. As of December 31, 2021, there is no balance outstanding on the Current 2021 ABL Facility.

At the Company's election, the interest rate on borrowings under the Current 2021 ABL Facility are based on either (i) the then applicable margin relative to Base Rate Loans (as defined in the Current 2021 ABL Facility) or (ii) the then applicable margin relative to LIBOR Loans (as defined in the Current 2021 ABL Facility) corresponding to the average availability of the Company for the most recently completed fiscal quarter.

Advances under the Current 2021 ABL Facility are limited to (a) eighty-five percent (85%) of the amount of Eligible Accounts (as defined in the Current 2021 ABL Facility), less the amount, if any, of the Dilution Reserve (as defined in the Current 2021 ABL Facility), minus (b) the sum of (i) the Bank Product Reserve (as defined in the Current 2021 ABL Facility), plus (ii) the AP and Deferred Revenue Reserve (as defined in the Current 2021 ABL Facility), plus (iii) without duplication, the aggregate amount of all other reserves, if any, established by Administrative Agent.

All obligations under the Current 2021 ABL Facility are secured by first priority lien on all (i) deposit accounts (related to accounts receivable), (ii) accounts receivable, and (iii) all other property which constitutes ABL Priority Collateral (as defined in the Current 2021 ABL Facility). The obligations are also guaranteed by all material restricted subsidiaries of the Company.

The Current 2021 ABL Facility matures on the earliest of: the earlier to occur of (a) the date that is five (5) years from the effective date of the Current 2021 ABL Facility and (b) 91 days prior to the maturity of the Company's 2028 Notes.

Finally, the Current 2021 ABL Facility is subject to the terms of the Revolver Intercreditor Agreement (as defined in the Current 2021 ABL Facility) by and among the Administrative Agent and Wilmington Trust, National Association.

Letter of Credit Facility

On February 24, 2015, the Company entered into a letter of credit reimbursement and security agreement providing for letter of credit capacity of up to $1.2 million. On October 8, 2019, the Company entered into an amendment to its letter of credit reimbursement and security agreement and extended the term to October 8, 2024. As of December 31, 2021, the Company had letters of credit totaling $871,000 under the agreement for certain operating leases and certain insurance policies. Letters of credit issued under the agreement are required to be collateralized with cash. In addition, the Current 2021 ABL Facility provides for letter of credit capacity of up to $5 million subject to certain limitations on availability.

Future Minimum Principal Payments

Future scheduled minimum principal payments of debt as of December 31, 2021, were as follows:

	7.375% Senior Secured Notes due February 2028	PPP Loan	Total
		(In thousands)	
2022	$ —	$ —	$ —
2023	—	—	—
2024	—	—	—
2025	—	—	—
2026	—	7,505	7,505
2027 and thereafter	825,000	—	825,000
Total Debt	$ 825,000	$ 7,505	$ 832,505

10. INCOME TAXES:

A reconciliation of the statutory federal income taxes to the recorded provision for (benefit from) income taxes from continuing operations is as follows:

	For the Years Ended December 31, 2021	2020
	(In thousands)	
Statutory federal tax expense/(benefit)	$ 11,391	$ (8,620)
Effect of state taxes, net of federal benefit	2,131	(1,205)
Effect of state rate and tax law changes	(1,201)	(599)
Return to provision adjustments	47	503
Other permanent items	(27)	(213)
Non-deductible meals and entertainment	65	96
Impairment of long-lived intangible assets	—	3,339
Non-deductible officer's compensation	2,055	1,002
Change in valuation allowance	(13)	28
IRC Section 382 adjustments	(705)	(30,143)
NOL expirations	610	3,000
Stock-based compensation forfeitures and adjustments	—	216
Uncertain tax positions	(777)	(1,923)
Other	1	43
Provision for (benefit from) income taxes	$ 13,577	$ (34,476)

The statutory federal tax rate used for the years ended December 31, 2021 and 2020 is 21.0%. Major components of the effective tax rate for the year ended December 31, 2021 and 2020 are related to net operating loss limitations, net operating loss expirations, impairments of long-lived assets, limitation of officer's compensation under IRC Section 162(m), uncertain tax positions and state income taxes.

The components of the provision for (benefit from) income taxes from continuing operations are as follows:

	For the Years Ended December 31, 2021	2020
	(In thousands)	
Federal:		
Current	$ —	$ —
Deferred	13,395	(27,162)
State:		
Current	1,063	552
Deferred	(881)	(7,866)
Provision for (benefit from) income taxes	$ 13,577	$ (34,476)

Deferred Income Taxes

Deferred income taxes reflect the impact of temporary differences between the assets and liabilities recognized for financial reporting purposes and amounts recognized for tax purposes. Deferred taxes are based on tax laws as currently enacted. Deferred tax assets are reduced by a valuation allowance if, based upon the weight of available evidence, it is not more likely than not that we will realize some portion or all of the deferred tax assets. The significant components of the Company's deferred tax assets and liabilities are as follows:

	As of December 31,	
	2021	2020
	(In thousands)	
Deferred tax assets:		
Allowance for doubtful accounts	$ 2,111	$ 1,924
Accruals	465	2,358
Fixed assets	486	453
Stock-based compensation	163	290
Deferred financing costs	—	1,475
Net operating loss carryforwards	114,217	128,023
Lease liability	10,022	11,592
Interest expense carryforward	15,506	11,934
Other	—	(200)
Total deferred tax assets	142,970	157,849
Valuation allowance for deferred tax assets	(264)	(277)
Total deferred tax asset, net of valuation allowance	142,706	157,572
Deferred tax liabilities:		
Intangible assets	(132,586)	(135,848)
Right of use asset	(9,232)	(10,336)
Partnership interests	(1,964)	(1,347)
Deferred financing costs	(1,196)	—
Other	(201)	—
Total deferred tax liabilities	(145,179)	(147,531)
Net deferred tax (liability) asset	$ (2,473)	$ 10,041

As of December 31, 2021, the Company had federal and state NOL carryforward amounts of approximately $637.0 million and $410.2 million, respectively. The state NOLs are applied separately from the federal NOLs as the Company generally files separate state returns for each subsidiary. Additionally, the amount of the state NOLs may change if future apportionment factors differ from current factors. During 2016, the Company performed an Internal Revenue Code ("IRC") Section 382 study ("the study") and concluded that there was an ownership shift during calendar year 2009 that resulted in an estimated limitation on our federal and state NOLs for approximately $361.1 million and $262.7 million, respectively. During 2018, the Company updated the study for additional information based on additional technical insight into the application of the tax law, which resulted in a decrease to the initial estimated limitation. In 2018, the Company identified certain assets with net unrealized built-in gain that reduced the estimated federal and state limitation by approximately $65.6 million and $52.9 million, respectively. During 2020, the Company further reduced the federal and state limitation by approximately $109.2 million and $93.6 million, respectively. The 2020 reductions of the IRC Section 382 limitation were related to receiving approval from the Internal Revenue Service to retroactively apply a consolidated tax return election to the 2009 income tax return and identifying additional assets with net unrealized built-in gains. The Company continues to assess other potential tax strategies, which if successful, may reduce the impact of the annual limitations and potentially recover NOLs that otherwise would expire before being applied to reduce future income tax liabilities. If successful, the Company may be able to recover additional federal and state NOLs in future periods, which could be material. If we conclude that it is more likely than not that we will be able to realize additional federal and state NOLs, the tax benefit could materially impact future quarterly and annual periods. The federal and state NOLs expire in various years from 2022 to 2039.

As of December 31, 2021, the gross deferred tax assets of approximately $143.0 million were primarily the result of federal and state net operating losses and the IRC Section 163(j) interest expense carryforward. A valuation allowance of $264,000 and $277,000 was recorded against our gross deferred tax asset balance as of December 31, 2021 and December 31, 2020, respectively and is related to state jurisdictions where it is not more likely than not the deferred tax assets will be realized.

The assessment to determine the value of the deferred tax assets to be realized under ASC 740 is highly judgmental and requires the consideration of all available positive and negative evidence in evaluating the likelihood of realizing the tax benefit of the deferred tax assets in a future period. Circumstances may change over time such that previous negative evidence no longer exists, and new conditions should be evaluated as positive or negative evidence that could affect the realization of the deferred tax assets. Since the evaluation requires consideration of events that may occur in some years in the future, significant judgment is required, and our conclusion could be materially different if certain expectations do not materialize.

In the assessment of all available evidence, an important piece of objective verifiable evidence is evaluating a cumulative income or loss position over the most recent three-year period. Historically, the Company has maintained a full valuation against the net deferred tax assets, principally due to a cumulative loss over the most recent three-year period. During the quarter ended December 31, 2018, the Company achieved three years of cumulative income, which removed the most heavily weighed piece of objective verifiable negative evidence from our evaluation of the realizability of deferred tax assets. The Company continues to maintain three years of rolling cumulative income as of December 31, 2021.

Additionally, the Company is projecting forecasts of taxable income to utilize our federal and state NOLs as part of our evaluation of positive evidence. As part of the 2017 Tax Act, IRC Section 163(j) limited the deduction of interest expense. In conjunction with evaluating and weighing the aforementioned negative and positive evidence from the Company's historical cumulative income or loss position, management also evaluated the impact that interest expense has had on our cumulative income or loss position over the most recent three-year period. A material component of the Company's expenses is interest, and has been the primary driver of historical pre-tax losses. Adjusting for the IRC Section 163(j) interest expense limitation on projected taxable income, we estimate utilization of federal and state net operating losses that are not subject to annual limitations as a result of the 2009 ownership shift as defined under IRC Section 382.

Realization of the Company's federal and state net operating losses is dependent on generating sufficient taxable income in future periods, and although the Company believes it is more likely than not future taxable income will be sufficient to utilize the net operating losses, realization is not assured and future events may cause a change to the judgment of the realizability of these deferred tax assets. If a future event causes the Company to re-evaluate and conclude that it is not more likely than not, that all or a portion of the deferred tax assets are realizable, the Company would be required to establish a valuation allowance against the assets at that time which would result in a charge to income tax expense and a decrease to net income in the period which the change of judgment is concluded.

Unrecognized Tax Benefits

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	2021	2020
	(In thousands)	
Balance as of January 1	$ 2,299	$ 4,733
Additions for tax positions related to current years	—	—
Additions (deductions) for tax positions related to prior years	8	(2,434)
Deductions for tax positions as a result of the lapse of applicable statutes of limitation	(992)	—
Balance as of December 31	$ 1,315	$ 2,299

The nature of the uncertainties pertaining to the Company's income taxes is primarily due to various state income tax positions that affect the amount of state NOLs available to be applied to reduce future state income tax liabilities. The unrecognized tax benefits liability accrued on our balance sheet decreased by approximately $1.0 million and decreased by approximately $2.4 million during the years ended December 31, 2021 and December 31, 2020, respectively, primarily as a result of state NOL utilizations and expirations, and applicable tax rate changes. As of December 31, 2021, the Company had unrecognized tax benefits of approximately $1.3 million, which if recognized, would impact the effective tax rate.

The Company recognizes accrued interest and penalties related to unrecognized tax benefits as a component of tax expense. There is no material amount of interest and penalties recognized in the statement of operations and the balance sheet for the year ended December 31, 2021. The Company believes that it is reasonably possible that a decrease of up to $680,000 of unrecognized tax benefits related to state tax exposures may be necessary within the coming year.

The Company files income tax returns in the U.S. federal jurisdiction, various state and local jurisdictions and is subject to examination by the various taxing authorities. The Company's open tax years for federal income tax examinations include the tax years ended December 31, 2018 through 2021. For state and local purposes, the open years for tax examinations include the tax years ended December 31, 2017 through 2021. To the extent that net operating losses are utilized, the year of the loss may be subject to examination.

11. STOCKHOLDERS' EQUITY:

On June 16, 2020, the Company's Board of Directors authorized an amendment (the "Potential Amendment") of Urban One's certificate of incorporation to effect a reverse stock split across all classes of common stock by a ratio of not less than one-for-two and not more than one-for-fifty at any time prior to December 31, 2021, with the exact ratio to be set at a whole number within this range as determined by our board of directors in its discretion. The Company's shareholders approved the Potential Amendment at the annual meeting of the shareholders June 16, 2020. The Company has not acted on the Potential Amendment but may do so as determined by our board of directors in its discretion. On June 23, 2021, the Company's Board of Directors authorized an amendment of the Urban One 2019 Equity and Performance Incentive Plan to increase the number of shares available for grant and to provide the grant of Class A as well as Class D shares. The amendment was approved by the Company's shareholders and added 5,519,575 shares of Class D Shares and added 2,000,000 Class A Shares.

On August 18, 2020, the Company entered into an Open Market Sales Agreement with Jefferies LLC ("Jefferies") under which the Company may offer and sell, from time to time at its sole discretion, shares of its Class A common stock, par value $0.001 per share (the "Class A Shares") up to an aggregate offering price of $25 million (the "2020 ATM Program"). Jefferies acted as sales agent for the 2020 ATM Program. During the year ended December 31, 2020, the Company issued 2,859,276 shares of its Class A Shares at a weighted average price of $5.39 for approximately $14.7 million of net proceeds after associated fees and expenses.

On January 19, 2021, the Company completed its 2020 ATM Program, sold an additional 1,465,825 shares for an aggregate of 4,325,102 Class A shares sold through the 2020 ATM Program, receiving gross proceeds of approximately $25.0 million and net proceeds of approximately $24.0 million for the program (inclusive of the $14.7 million sold during the year ended December 31, 2020). On January 27, 2021, the Company entered into a new 2021 Open Market Sale Agreement (the "2021 Sale Agreement") with Jefferies under which the Company could sell up to an additional $25.0 million of Class A Shares, through Jefferies as its sales agent. During the three months ended March 31, 2021, the Company issued and sold an aggregate of 420,439 Class A Shares pursuant to the 2021 Sale Agreement and received gross proceeds of approximately $3.0 million and net proceeds of approximately $2.8 million, after deducting commissions to Jefferies and other offering expenses. During the three months ended June 30, 2021, the Company issued and sold an aggregate of 1,893,126 Class A Shares pursuant to the 2021 Sale Agreement and received gross proceeds of approximately $22.0 million and net proceeds of approximately $21.2 million, after deducting commissions to Jefferies and other offering expenses which completed its 2021 ATM Program.

On May 17, 2021, the Company entered into an Open Market Sale Agreement[SM] (the "Class D Sale Agreement") with Jefferies under which the Company may offer and sell, from time to time at its sole discretion, shares of its Class D common stock, par value $0.001 per share (the "Class D Shares"), through Jefferies as its sales agent. On May 17, 2021, the Company filed a prospectus supplement pursuant to the Class D Sale Agreement for the offer and sale of its Class D

Shares having an aggregate offering price of up to $25.0 million. As of December 31, 2021, the Company has not sold any Class D Shares under the Class D Sale Agreement. The Company may from time to time also enter into new additional ATM programs and issue additional common stock from time to time under those programs.

On October 29, 2021, Alfred C. Liggins, President and Chief Executive Officer of Urban One, Inc. and/or Catherine L. Hughes, Founder and Chairperson of Urban One, Inc., and/or their affiliates converted a total of 883,890 shares of Class C Common Stock into 883,890 shares of Class A Common Stock.

Common Stock

The Company has four classes of common stock, Class A, Class B, Class C and Class D. Generally, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A common stock entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. The holders of Class C and Class D common stock are not entitled to vote on any matters. The holders of Class A common stock can convert such shares into shares of Class C or Class D common stock. Subject to certain limitations, the holders of Class B common stock can convert such shares into shares of Class A common stock. The holders of Class C common stock can convert such shares into shares of Class A common stock. The holders of Class D common stock have no such conversion rights.

Stock Repurchase Program

From time to time, the Company's Board of Directors has authorized repurchases of shares of the Company's Class A and Class D common stock. As of March 13, 2020, the Company's Board authorized a new repurchase plan of up to $2.6 million of the Company's Class A and Class D shares through December 31, 2020. In addition, on June 11, 2020, the Company's Board authorized a repurchase of $2.4 million of the Company's Class D shares. As of December 31, 2021, the Company had no capacity remaining under the authorizations as the capacity under the June authorization was used and the March authorization lapsed by its terms on December 31, 2020. Under open authorizations, repurchases may be made from time to time in the open market or in privately negotiated transactions in accordance with applicable laws and regulations. Shares are retired when repurchased. The timing and extent of any repurchases will depend upon prevailing market conditions, the trading price of the Company's Class A and/or Class D common stock and other factors, and subject to restrictions under applicable law. When in effect, the Company executes upon stock repurchase programs in a manner consistent with market conditions and the interests of the stockholders, including maximizing stockholder value. During the year ended December 31, 2021, the Company did not repurchase any shares of Class A common stock and repurchased 6,715 shares of Class D common stock in the amount of $39,000 at an average price of $5.80 per share. During the year ended December 31, 2020, the Company did not repurchase any shares of Class A common stock and repurchased 3,208,288 shares of Class D common stock in the amount of approximately $2.4 million at an average price of $0.76 per share.

In addition, the Company has limited but ongoing authority to purchase shares of Class D common stock (in one or more transactions at any time there remain outstanding grants) under the Company's 2009 Stock Plan and 2019 Equity and Performance Incentive Plan (both as defined below). As of May 21, 2019, the 2019 Equity and Performance Incentive Plan will be used to satisfy any employee or other recipient tax obligations in connection with the exercise of an option or a share grant under the 2009 Stock Plan and the 2019 Equity and Performance Incentive Plan, to the extent that the Company has capacity under its financing agreements (i.e., its current credit facilities and indentures) (each a "Stock Vest Tax Repurchase"). During the year ended December 31, 2021, the Company executed a Stock Vest Tax Repurchase of 515,162 shares of Class D Common Stock in the amount of $931,000 at an average price of $1.81 per share. During the year ended December 31, 2020, the Company executed a Stock Vest Tax Repurchase of 710,992 shares of Class D Common Stock in the amount of approximately $1.2 million at an average price of $1.64 per share.

Stock Option and Restricted Stock Grant Plan

Our 2009 stock option and restricted stock plan (the "2009 Stock Plan") was originally approved by the stockholders at the Company's annual meeting on December 16, 2009. The Company had the authority to issue up to 8,250,000 shares of Class D Common Stock under the 2009 Stock Plan. Since its original approval, from time to time, the Board of Directors adopted and, as required, our stockholders approved certain amendments to and restatement of the 2009 Stock Plan (the "Amended and Restated 2009 Stock Plan"). The amendments under the Amended and Restated 2009 Stock Plan primarily affected (i) the number of shares with respect to which options and restricted stock grants may be granted under the 2009 Stock Plan and (ii) the maximum number of shares that can be awarded to any individual in any one calendar year. On April 13, 2015, the Board of Directors adopted, and our stockholders approved on June 2, 2015, an amendment that replenished the authorized plan shares, increasing the number of shares of Class D common stock available for grant back up to 8,250,000 shares. Our new stock option and restricted stock plan ("2019 Equity and Performance Incentive Plan"), currently in effect was approved by the stockholders at the Company's annual meeting on May 21, 2019. The Board of Directors adopted, and on May 21, 2019, our stockholders approved, the 2019 Equity and Performance Incentive Plan which is funded with 5,500,000 shares of Class D Common Stock. The Company uses an average life for all option awards. The Company settles stock options upon exercise by issuing stock. As of December 31, 2021, 5,898,026 shares of Class D common stock and 2,000,000 shares of Class A common stock were available for grant under the 2019 Equity and Performance Incentive Plan.

On June 12, 2019, the Compensation Committee ("Compensation Committee") awarded Catherine Hughes, Chairperson, 393,685 restricted shares of the Company's Class D common stock, and stock options to purchase 174,971 shares of the Company's Class D common stock. The grants were effective July 5, 2019 and vested on January 6, 2020.

On June 12, 2019, the Compensation Committee awarded Catherine Hughes, Chairperson, 427,148 restricted shares of the Company's Class D common stock, and stock options to purchase 189,843 shares of the Company's Class D common stock. The grants were effective June 5, 2020 and vested on January 6, 2021.

On June 12, 2019, the Compensation Committee awarded Alfred Liggins, Chief Executive Officer and President, 656,142 restricted shares of the Company's Class D common stock, and stock options to purchase 291,619 shares of the Company's Class D common stock. The grants were effective July 5, 2019 and vested on January 6, 2020.

On June 12, 2019, the Compensation Committee awarded Alfred Liggins, Chief Executive Officer and President, 711,914 restricted shares of the Company's Class D common stock, and stock options to purchase 316,406 shares of the Company's Class D common stock. The grants were effective June 5, 2020 and vested on January 6, 2021.

On June 12, 2019, the Compensation Committee awarded Peter Thompson, Chief Financial Officer, 224,654 restricted shares of the Company's Class D common stock, and stock options to purchase 99,846 shares of the Company's Class D common stock. The grants were effective July 5, 2019 and vested on January 6, 2020.

On June 12, 2019, the Compensation Committee awarded Peter Thompson, Chief Financial Officer, 243,750 restricted shares of the Company's Class D common stock, and stock options to purchase 108,333 shares of the Company's Class D common stock. The grants were effective June 5, 2020 and vested on January 6, 2021.

On August 7, 2017, the Compensation Committee awarded 575,262 shares of restricted stock and 470,000 stock options to certain employees pursuant to the Company's long-term incentive plan. The grants were effective August 7, 2017. 470,000 shares of restricted stock and 470,000 stock options have vested or will vest in three installments, with the first installment of 33% having vested on January 5, 2018, and the second installment having vested on January 5, 2019, and the final installment vested on January 5, 2020.

On October 2, 2017, Karen Wishart, our current Chief Administrative Officer, as part of her employment agreement, received an equity grant of 37,500 shares of the Company's Class D common stock as well as a grant of options to purchase 37,500 shares of the Company's Class D common stock. The grants have vested in equal increments on each of October 2, 2018, October 2, 2019 and October 2, 2020.

On June 12, 2019, the Compensation Committee awarded David Kantor, Chief Executive Officer - Radio Division, 195,242 restricted shares of the Company's Class D common stock, and stock options to purchase 86,774 shares of the Company's Class D common stock. The grants were effective July 5, 2019 and vested on January 6, 2020.

On June 12, 2019, the Compensation Committee awarded David Kantor, Chief Executive Officer – Radio Division, 211,838 restricted shares of the Company's Class D common stock, and stock options to purchase 94,150 shares of the Company's Class D common stock. The grants were effective June 5, 2020 and vested on January 6, 2021.

Pursuant to the terms of each of our stock plans and subject to the Company's insider trading policy, a portion of each recipient's vested shares may be sold in the open market for tax purposes on or about the vesting dates.

The Company measures compensation cost for all stock-based awards at fair value on date of grant and recognizes the related expense over the service period for awards expected to vest. The restricted stock-based awards do not participate in dividends until fully vested. The fair value of stock options is determined using the BSM. Such fair value is recognized as an expense over the service period, net of estimated forfeitures, using the straight-line method. Estimating the number of stock awards that will ultimately vest requires judgment, and to the extent actual forfeitures differ substantially from our current estimates, amounts will be recorded as a cumulative adjustment in the period the estimated number of stock awards are revised. We consider many factors when estimating expected forfeitures, including the types of awards, employee classification and historical experience. Actual forfeitures may differ substantially from our current estimate.

The Company's use of the BSM to calculate the fair value of stock-based awards incorporates various assumptions including volatility, expected life, and interest rates. For options granted, the BSM determines: (i) the term by using the simplified "plain-vanilla" method as allowed under SAB No. 110; (ii) a historical volatility over a period commensurate with the expected term, with the observation of the volatility on a daily basis; and (iii) a risk-free interest rate that was consistent with the expected term of the stock options and based on the U.S. Treasury yield curve in effect at the time of the grant.

Stock-based compensation expense for the years ended December 31, 2021 and 2020, was $565,000 and approximately $2.3 million, respectively.

The Company granted 40,917 stock options during the year ended December 31, 2021 and the Company granted 878,643 stock options during the year ended December 31, 2020. The per share weighted-average fair value of options granted during the years ended December 31, 2021 and 2020, was $2.77 and $0.66, respectively.

These fair values were derived using the BSM with the following weighted-average assumptions:

	For the Years Ended December 31,	
	2021	**2020**
Average risk-free interest rate	0.68 %	0.40 %
Expected dividend yield	— %	— %
Expected lives	5.16 years	5.04 years
Expected volatility	82.04 %	79.75 %

Transactions and other information relating to stock options for the years December 31, 2021 and 2020 are summarized below:

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2019	4,197,000	$ 2.13	6.70	$ 255,000
Grants	879,000	$ 1.83	—	—
Exercised	(1,033,000)	$ 1.91	—	—
Forfeited/cancelled/expired/settled	(24,000)	$ 3.17	—	—
Outstanding at December 31, 2020	4,019,000	$ 2.11	6.48	$ 41,000
Grants	41,000	$ 4.32	—	—
Exercised	(230,000)	$ 1.70	—	—
Forfeited/cancelled/expired/settled	(59,000)	$ 1.27	—	—
Balance as of December 31, 2021	3,771,000	$ 2.18	5.68	$ 4,660,000
Vested and expected to vest at December 31, 2021	3,770,000	$ 2.17	5.68	$ 4,660,000
Unvested at December 31, 2021	21,000	$ 7.26	9.76	$ —
Exercisable at December 31, 2021	3,750,000	$ 2.15	5.66	$ 4,660,000

The aggregate intrinsic value in the table above represents the difference between the Company's stock closing price on the last day of trading during the year ended December 31, 2021, and the exercise price, multiplied by the number of shares that would have been received by the holders of in-the-money options had all the option holders exercised their in-the-money options on December 31, 2021. This amount changes based on the fair market value of the Company's stock.

There were 229,756 options exercised during the year ended December 31, 2021 and there were 1,032,922 options exercised during the year ended December 31, 2020. The number of options that vested during the year ended December 31, 2021 was 903,643 and the number of options that vested during the year ended December 31, 2020 was 637,270.

As of December 31, 2021, $75,000 of total unrecognized compensation cost related to stock options is expected to be recognized over a weighted-average period of 5 months. The weighted-average fair value per share of shares underlying stock options was $1.45 at December 31, 2021.

The Company granted 101,057 and 1,649,394 shares, respectively, of restricted stock during the years ended December 31, 2021 and 2020, respectively. During the years ended December 31, 2021 and 2020, 9,671 shares and 18,248 shares, respectively, of restricted stock were issued to the Company's non-executive directors as a part of their compensation packages. Each of the four non-executive directors received 9,671 shares of restricted stock, or $50,000 worth, of restricted stock based upon the closing price of the Company's Class D common stock on July 6, 2021. Each of the four non-executive directors received 25,000 shares of restricted stock, or $50,000 worth, of restricted stock based upon the closing price of the Company's Class D common stock on June 16, 2020. The restricted stock grants for the non-executive directors vest over a two-year period in equal 50% installments.

Transactions and other information relating to restricted stock grants for the years ended December 31, 2021 and 2020 are summarized below:

	Shares	Average Fair Value at Grant Date
Unvested at December 31, 2019	1,814,000	$ 2.14
Grants	1,649,000	$ 0.77
Vested	(1,739,000)	$ 2.14
Forfeited/cancelled/expired	—	$ —
Unvested at December 31, 2020	1,724,000	$ 0.83
Grants	101,000	$ 3.22
Vested	(1,749,000)	$ 0.83
Forfeited/cancelled/expired	—	$
Unvested at December 31, 2021	76,000	$ 3.90

Restricted stock grants were and are included in the Company's outstanding share numbers on the effective date of grant. As of December 31, 2021, $233,000 of total unrecognized compensation cost related to restricted stock grants was expected to be recognized over a weighted-average period of 9 months.

12. PROFIT SHARING AND EMPLOYEE SAVINGS PLAN:

The Company maintains a profit sharing and employee savings plan under Section 401(k) of the Internal Revenue Code. This plan allows eligible employees to defer allowable portions of their compensation on a pre-tax basis through contributions to the savings plan. The Company may contribute to the plan at the discretion of its Board of Directors. The Company does not match employee contributions. The Company did not make any contributions to the plan during the years ended December 31, 2021 and 2020.

13. COMMITMENTS AND CONTINGENCIES:

Radio Broadcasting Licenses

Each of the Company's radio stations operates pursuant to one or more licenses issued by the Federal Communications Commission that have a maximum term of eight years prior to renewal. The Company's radio broadcasting licenses expire at various times beginning in August 2021 through August 1, 2029. Although the Company may apply to renew its radio broadcasting licenses, third parties may challenge the Company's renewal applications. The Company is not aware of any facts or circumstances that would prevent the Company from having its current licenses renewed.

Royalty Agreements

Musical works rights holders, generally songwriters and music publishers, have been traditionally represented by performing rights organizations, such as the American Society of Composers, Authors and Publishers ("ASCAP"), Broadcast Music, Inc. ("BMI") and SESAC, Inc. ("SESAC"). The market for rights relating to musical works is changing rapidly. Songwriters and music publishers have withdrawn from the traditional performing rights organizations, particularly ASCAP and BMI, and new entities, such as Global Music Rights, Inc. ("GMR"), have been formed to represent rights holders. These organizations negotiate fees with copyright users, collect royalties and distribute them to the rights holders. We currently have arrangements with ASCAP, SESAC and GMR. On April 22, 2020, the Radio Music License Committee ("RMLC"), an industry group which the Company is a part of, and BMI have reached agreement on the terms of a new license agreement that covers the period January 1, 2017, through December 31, 2021. Upon approval of the court of the BMI/RMLC agreement, the Company automatically became a party to the agreement and to a license with BMI through December 31, 2021.

Leases and Other Operating Contracts and Agreements

The Company has noncancelable operating leases for office space, studio space, broadcast towers and transmitter facilities that expire over the next 10 years. The Company's leases for broadcast facilities generally provide for a base rent plus real estate taxes and certain operating expenses related to the leases. Certain of the Company's leases contain renewal options, escalating payments over the life of the lease and rent concessions. The future rentals under non-cancelable leases as of December 31, 2021, are shown below.

The Company has other operating contracts and agreements including employment contracts, on-air talent contracts, severance obligations, retention bonuses, consulting agreements, equipment rental agreements, programming related agreements, and other general operating agreements that expire over the next five years. The amounts the Company is obligated to pay for these agreements are shown below.

	Operating Lease Agreements	Other Operating Contracts and Agreements
	(In thousands)	
Years ending December 31:		
2022	$ 13,164	$ 69,791
2023	11,333	23,117
2024	10,099	19,386
2025	5,377	19,422
2026	3,070	8,452
2027 and thereafter	5,378	9,408
Total	$ 48,421	$ 149,576

Of the total amount of other operating contracts and agreements included in the table above, approximately $100.1 million has not been recorded on the balance sheet as of December 31, 2021, as it does not meet recognition criteria. Approximately $18.0 million relates to certain commitments for content agreements for our cable television segment, approximately $30.9 million relates to employment agreements, and the remainder relates to other programming, network and operating agreements.

Reach Media Redeemable Noncontrolling Interest Shareholders' Put Rights

Beginning on January 1, 2018, the noncontrolling interest shareholders of Reach Media have had an annual right to require Reach Media to purchase all or a portion of their shares at the then current fair market value for such shares (the "Put Right"). This annual right is exercisable for a 30-day period beginning January 1 of each year. The purchase price for such shares may be paid in cash and/or registered Class D common stock of Urban One, at the discretion of Urban One. The noncontrolling interest shareholders of Reach Media did not exercise their Put Right for the 30-day period ending January 31, 2022. Management, at this time, cannot reasonably determine the period when and if the put right will be exercised by the noncontrolling interest shareholders.

Letters of Credit

On February 24, 2015, the Company entered into a letter of credit reimbursement and security agreement providing for letter of credit capacity of up to $1.2 million. On October 8, 2019, the Company entered into an amendment to its letter of credit reimbursement and security agreement and extended the term to October 8, 2024. As of December 31, 2021, the Company had letters of credit totaling $871,000 under the agreement for certain operating leases and certain insurance policies. Letters of credit issued under the agreement are required to be collateralized with cash. In addition, the Current 2021 ABL Facility provides for letter of credit capacity of up to $5 million subject to certain limitations on availability.

Other Contingencies

The Company has been named as a defendant in several legal actions arising in the ordinary course of business. It is management's opinion, after consultation with its legal counsel, that the outcome of these claims will not have a material adverse effect on the Company's financial position or results of operations.

14. QUARTERLY FINANCIAL DATA (UNAUDITED):

	Quarters Ended			
	31-Mar	June 30	September 30	December 31
	(In thousands, except share data)			
2021:				
Net revenue	$ 91,440	$ 107,593	$ 111,463	$ 130,966
Operating income	23,757	37,920	34,475	22,391
Net income	461	18,478	14,455	7,273
Consolidated net income attributable to common stockholders	7	17,866	13,876	6,603
BASIC AND DILUTED NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Consolidated net income per share attributable to common stockholders - basic	$ 0.00	$ 0.36	$ 0.27	$ 0.13
Consolidated net income per share attributable to common stockholders - diluted	$ 0.00	$ 0.33	$ 0.25	$ 0.12
WEIGHTED AVERAGE SHARES OUTSTANDING				
Weighted average shares outstanding — basic	48,463,289	49,789,892	51,190,105	51,206,358
Weighted average shares outstanding —diluted	49,053,650	53,780,918	55,080,394	55,084,927

	Quarters Ended			
	March 31 (a)	June 30	September 30 (a)	December 31 (a)
	(In thousands, except share data)			
2020:				
Net revenue	$ 94,875	$ 76,008	$ 91,912	$ 113,542
Operating (loss) income	(27,287)	20,382	3,968	34,533
Net (loss) income	(23,058)	1,642	(12,277)	27,124
Consolidated net (loss) income attributable to common stockholders	(23,187)	1,420	(12,772)	26,426
BASIC AND DILUTED NET (LOSS) INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS				
Consolidated net (loss) income per share attributable to common stockholders - basic	$ (0.51)	$ 0.03	$ (0.29)	$ 0.58
Consolidated net (loss) income per share attributable to common stockholders - diluted	$ (0.51)	$ 0.03	$ (0.29)	$ 0.55
WEIGHTED AVERAGE SHARES OUTSTANDING				
Weighted average shares outstanding — basic	45,228,164	44,806,219	44,175,385	45,942,818
Weighted average shares outstanding —diluted	45,228,164	48,154,262	44,175,385	48,054,418

(a) The net income (loss) from continuing operations for the quarters ended March 31, 2020, September 30, 2020, and December 31, 2020 includes approximately $53.6 million, $29.1 million, and $1.7 million, respectively of impairment charges.

15. SEGMENT INFORMATION:

The Company has four reportable segments: (i) radio broadcasting; (ii) Reach Media; (iii) digital; and (iv) cable television. These segments operate in the United States and are consistently aligned with the Company's management of its businesses and its financial reporting structure.

The radio broadcasting segment consists of all broadcast results of operations. The Reach Media segment consists of the results of operations for the related activities and operations of our syndicated shows. The digital segment includes the results of our online business, including the operations of Interactive One, as well as the digital components of our other reportable segments. The cable television segment consists of the Company's cable TV operation, including TV One's and CLEO TV's results of operations. Corporate/Eliminations represents financial activity associated with our corporate staff and offices and intercompany activity among the four segments.

Operating loss or income represents total revenues less operating expenses, depreciation and amortization, and impairment of long-lived assets. Intercompany revenue earned and expenses charged between segments are recorded at estimated fair value and eliminated in consolidation.

The accounting policies described in the summary of significant accounting policies in Note 1 – *Organization and Summary of Significant Accounting Policies* are applied consistently across the segments.

Detailed segment data for the years ended December 31, 2021 and 2020 is presented in the following table:

	Year Ended December 31, 2021	2020
	(In thousands)	
Net Revenue:		
Radio Broadcasting	$ 140,246	$ 130,573
Reach Media	46,437	30,996
Digital	59,937	35,599
Cable Television	198,180	181,583
Corporate/Eliminations*	(3,338)	(2,414)
Consolidated	$ 441,462	$ 376,337
Operating Expenses (including stock-based compensation and excluding depreciation and amortization and impairment of long-lived assets):		
Radio Broadcasting	$ 98,250	$ 91,052
Reach Media	32,911	22,376
Digital	42,698	29,608
Cable Television	103,049	81,546
Corporate/Eliminations	36,722	26,018
Consolidated	$ 313,630	$ 250,600
Depreciation and Amortization:		
Radio Broadcasting	$ 3,135	$ 3,022
Reach Media	208	237
Digital	1,264	1,592
Cable Television	3,738	3,749
Corporate/Eliminations	944	1,141
Consolidated	$ 9,289	$ 9,741
Impairment of Long-Lived Assets:		
Radio Broadcasting	$ —	$ 84,400
Reach Media	—	—
Digital	—	—
Cable Television	—	—
Corporate/Eliminations	—	—
Consolidated	$ —	$ 84,400
Operating income (loss):		
Radio Broadcasting	$ 38,861	$ (47,901)
Reach Media	13,318	8,383
Digital	15,975	4,399
Cable Television	91,393	96,288
Corporate/Eliminations	(41,004)	(29,573)
Consolidated	$ 118,543	$ 31,596
* Intercompany revenue included in net revenue above is as follows:		
Radio Broadcasting	$ (3,338)	$ (2,414)

Capital expenditures by segment are as follows:		
Radio Broadcasting	$ 2,826	$ 2,200
Reach Media	160	82
Digital	1,354	799
Cable Television	385	92
Corporate/Eliminations	1,561	625
Consolidated	$ 6,286	$ 3,798

	As of	
	December 31, 2021	December 31, 2020
	(In thousands)	
Total Assets:		
Radio Broadcasting	$ 627,948	$ 630,174
Reach Media	33,451	38,235
Digital	32,915	23,168
Cable Television	367,896	374,046
Corporate/Eliminations	198,898	129,864
Consolidated	$ 1,261,108	$ 1,195,487

16. SUBSEQUENT EVENTS:

On July 29, 2021, RVA Entertainment Holdings, LLC ("RVAEH"), a wholly owned unrestricted subsidiary of the Company, entered into a Host Community Agreement (the "Original HCA") with the City of Richmond (the "City") for the development of the ONE Casino + Resort (the "Project"). The Original HCA imposed certain obligations on RVAEH in connection with the development of the Project, including a $26 million upfront payment (the "Upfront Payment") due upon successful passage of a citywide referendum permitting development of the Project (the "Referendum"). In connection with the Original HCA, RVAEH and its development partner Pacific Peninsula Entertainment funded the Upfront Payment into escrow to be released to the City upon successful passage of the Referendum or back to RVAEH in the event the Referendum failed. On November 2, 2021, the Referendum was conducted, and the resort project was narrowly defeated. However, on January 24, 2022, the Richmond City Council adopted a new resolution in continued efforts to bring the Project to the City. The new resolution was the first of several steps in pursuit of a second referendum. The City and RVAEH then entered into a new Host Community Agreement (the "New HCA") which also included an Upfront Payment to be held in escrow and payable upon successful passage of a citywide referendum permitting development of the Project. Upon obtaining precertification for RVAEH, by the Virginia Lottery Board, the City will then pursue an order from the Circuit Court for the City ordering a second referendum. If the City is successful in obtaining the precertification and the Court orders a second referendum, it is currently anticipated the second referendum would occur in November 2022. If the voters approve the referendum then the Commonwealth may issue one license permitting operation of a casino in Richmond. As a result of the efforts to obtain a second referendum, including execution of the New HCA, the Upfront Payment remains in escrow. Therefore, the Company's portion of the Upfront Payment, approximately $19.5 million, is classified as restricted cash on the balance sheet as of December 31, 2021.

On February 7, 2022, the Radio Music License Committee ("RMLC"), an industry group which the Company is a part of, and Global Music Rights, Inc. ("GMR") reached a settlement and achieved certain conditions which effectuate a four-year license to which the Company is a party for the period April 1, 2022 to March 31, 2026. The license includes an optional three year extended term that the Company may effectuate prior to the end of the initial term.

On March 7, 2022, the Board of the Company authorized and approved a share repurchase program for up to $25 million of the currently outstanding shares of the Company's Class A and/or Class D common stock over a period of 24 months. Under the stock repurchase program, the Company intends to repurchase shares through open market purchases, privately-negotiated transactions, block purchases or otherwise in accordance with applicable federal securities laws, including Rule 10b-18 of the Securities Exchange Act of 1934 (the "Exchange Act"). The Board also approved a repurchase program for up to $50 million of the Company's outstanding 7.375% Senior Secured Notes due 2028.

The Board also authorized the Company to enter into written trading plans under Rule 10b5-1 of the Exchange Act. Adopting a trading plan that satisfies the conditions of Rule 10b5-1 allows a company to repurchase its shares/bonds at times when it might otherwise be prevented from doing so due to self-imposed trading blackout periods or pursuant to insider trading laws. Under any Rule 10b5-1 trading plan, the Company's third-party broker, subject to Securities and Exchange Commission regulations regarding certain price, market, volume and timing constraints, would have authority to purchase the Company's common stock and/or bonds in accordance with the terms of the plan. The Company may from time to time enter into Rule 10b5-1 trading plans to facilitate the repurchase of its common stock or bonds pursuant to its repurchase programs.

The Company's share repurchase programs do not obligate it to acquire any specific number of shares or bonds. The Company cannot predict when or if it will repurchase any shares of common stock or bonds as such repurchase programs will depend on a number of factors, including constraints specified in any Rule 10b5-1 trading plans, price, general business and market conditions, and alternative investment opportunities. Information regarding share repurchases will be available in the Company's periodic reports on Form 10-Q and 10-K filed with the Securities and Exchange Commission as required by the applicable rules of the Exchange Act.

URBAN ONE, INC. AND SUBSIDIARIES
SCHEDULE II — VALUATION AND QUALIFYING ACCOUNTS
For the Years Ended December 31, 2021 and 2020

Description	Balance at Beginning of Year	Additions Charged to Expense	Acquired from Acquisitions	Deductions	Balance at End of Year
			(In thousands)		
Allowance for Doubtful Accounts:					
2021	$ 7,956	$ 1,584	$ —	$ 797	$ 8,743
2020	7,416	$ 1,394	$ —	$ 854	$ 7,956

Description	Balance at Beginning of Year	Additions Charged to Expense	Acquired from Acquisitions	Deductions	Balance at End of Year
			(In thousands)		
Valuation Allowance for Deferred Tax Assets:					
2021	$ 277	$ —	$ —	$ 13	$ 264
2020	249	$ 28	$ —	$ —	$ 277

EXHIBIT 4.7

Description of Registrant's Securities

Urban One, Inc. and its subsidiaries, (collectively, "Urban One," the "Company", "we", "our" and/or "us") has two classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended:

- Class A Common Stock, $0.001 par value, 30,000,000 shares authorized, 9,104,916 shares issued and outstanding (the "Class A Common Stock") as of December 31, 2021.

- Class D Common Stock, $0.001 par value, 150,000,000 shares authorized, 37,324,737 shares issued and outstanding (the "Class D Common Stock") as of December 31, 2021.

Other shares that are authorized but not registered are:

- Class B Common Stock, $0.001 par value, 150,000,000 shares authorized, 2,861,843 shares issued and outstanding (the "Class B Common Stock") as of December 31, 2021.

- Class C Common Stock, $0.001 par value, 150,000,000 shares authorized, 2,045,016 shares issued and outstanding (the "Class C Common Stock") as of December 31, 2021.

- Preferred Stock, $0.001 par value, 1,000,000 shares authorized, no shares issued and outstanding (the "Preferred Stock") as of December 31, 2021.

The following is a summary of the material terms and rights of our Class A Common Stock and Class D Common Stock and the provisions of our certificate of incorporation and our by-laws, each of which is incorporated by reference as an exhibit to our Annual Report on Form 10-K for the year ended December 31, 2021, of which this exhibit is a part. This summary is not complete and you should refer to the applicable provisions of our certificate of incorporation and by-laws. Our certificate of incorporation authorizes us to issue additional capital stock, but those shares are not registered under Section 12 of the Securities Exchange Act of 1934, as amended.

General Rights and Voting Rights - The Company has four classes of common stock, Class A, Class B, Class C and Class D. The shares of our Class A, Class B, Class C and Class D are collectively referred to as our Common Stock. Generally, the shares of each class are identical in all respects and entitle the holders thereof to the same rights and privileges. However, with respect to voting rights, each share of Class A common stock entitles its holder to one vote and each share of Class B common stock entitles its holder to ten votes. The holders of Class C and Class D common stock are not entitled to vote on any matters. The holders of Class A common stock can convert such shares into shares of Class C or Class D common stock. Subject to certain limitations, the holders of Class B common stock can convert such shares into shares of Class A common stock. The holders of Class C common stock can convert such shares into shares of Class A common stock. The holders of Class D common stock have no such conversion rights.

Dividends - As and when dividends are declared or paid with respect to shares of Common Stock, whether in cash, property or securities of the Corporation, the holders of Class A Common, the holders of Class B Common, the holders of Class C Common and the holders of Class D Common shall be entitled to receive such dividends pro rata at the same rate per share for each such class of Common Stock; provided that, if such dividends are declared or paid in shares of Common Stock, such dividends may be paid only (i) in shares of Class D Common, or (ii) if holders of any class of Common Stock are to receive payment in shares of any class of Common Stock other than Class D Common, then holders of shares of each class of Common Stock must receive payment only in shares of such respective class of Common Stock. The rights of the holders of Common Stock to receive dividends are subject to the provisions of the Preferred Stock.

Liquidation - Subject to any preferential rights of outstanding shares of Preferred Stock, in the event of any liquidation of the Company, all remaining assets of the Company shall be distributed to holders of Common Stock pro rata at the same rate per share for each share of Common Stock.

Other Rights and Preferences - Except as stated above, our Common Stock has no sinking fund or redemption provisions or preemptive, conversion or exchange rights. Holders of Common Stock may act by unanimous written consent.

Listing - Shares of our Class A common stock and Class D common stock are traded on The Nasdaq Stock Market LLC under the trading symbols “UONE” and “UONEK,” respectively.

Exhibit 21.1

SUBSIDIARIES OF URBAN ONE, INC.
As of December 31, 2021

Radio One Licenses, LLC, a Delaware limited liability company, is a restricted subsidiary of Urban One, Inc. and is the licensee of the following stations:

KBFB-FM	WFXC-FM	WOLB-AM	WWIN-AM
KBXX-FM	WFXK-FM	WPPZ-FM	WWIN-FM
KMJQ-FM	WHTA-FM	WPRS-FM	WXGI-AM
KROI-FM	WKJM-FM	WPZZ-FM	WYCB-AM
KZMJ-FM	WKJS-FM	WQOK-FM	W275BK
WAMJ-FM	WKYS-FM	WRNB-FM	W281AW
WCDX-FM	WMMJ-FM	WTEM-AM	W274BX
WDCJ-FM	WNNL-FM	WTPS-AM	W240DJ
WERQ-FM	WOL-AM	WUMJ-FM	W258DC

Radio One of Charlotte, LLC ("Radio One of Charlotte"), a Delaware limited liability company, the sole member of which is Urban One, Inc., is a restricted subsidiary of Urban One, Inc. Charlotte Broadcasting, LLC ("Charlotte Broadcasting") is a Delaware limited liability company, the sole member of which is Radio One of Charlotte. Radio One of North Carolina, LLC ("Radio One of North Carolina") is a Delaware limited liability company, the sole member of which is Charlotte Broadcasting. Radio One of North Carolina is the licensee of the following stations:

WPZS-FM	WBT-AM	W273DA
WQNC-FM	WFNZ-FM	
WBT-FM	WKLNK-FM	

Gaffney Broadcasting, LLC ("Gaffney Broadcasting") is a South Carolina limited liability company, the sole member of which is Charlotte Broadcasting. Gaffney Broadcasting is the licensee of the following station:

WOSF-FM

Blue Chip Broadcasting, Ltd. ("BCB Ltd."), an Ohio limited liability company, the sole member of which is Urban One, Inc., and which is a restricted subsidiary of Urban One, Inc. Blue Chip Broadcasting Licenses, Ltd. ("BC Licenses") is an Ohio limited liability company, the sole member of which is BCB Ltd. BC Licenses is the licensee of the following stations:

WIZF-FM	WOSL-FM	WDBZ-AM
WENZ-FM	WCKX-FM	WBMO-FM
WERE-AM	WJMO-AM	WZAK-FM
WXMG-FM	WJYD-FM	W233CG
W268CM	WQMC-LD	

Radio One of Texas II, LLC, a Delaware limited liability company, the sole member of which is Urban One, Inc., and it is a restricted subsidiary of Urban One, Inc.

Radio One of Indiana, L.P. is a Delaware limited partnership. Urban One, Inc. is the general partner and 99% owner of Radio One of Indiana, L.P. Charlotte Broadcasting, LLC is the limited partner and 1% owner of Radio One of Indiana, L.P.

Radio One of Indiana, LLC is a Delaware limited liability company, the sole member of which is Radio One of Indiana, L.P. Radio One of Indiana, LLC is the licensee of the following stations:

WDNI-CD	WNOW-FM	W286CM
WTLC-FM	WTLC-AM	W236CR
WHHH-FM		

Satellite One, LLC is a Delaware limited liability company, the sole member of which is Urban One, Inc.

New Mableton Broadcasting Corporation, a Delaware corporation, is a wholly owned subsidiary of Urban One, Inc. and is the licensee of the following station:

WPZE-FM

Radio One Cable Holdings, LLC, a Delaware limited liability company, is a wholly owned subsidiary of Urban One, Inc. Radio One Cable Holdings, LLC holds an interest in TV One, LLC, a Delaware limited liability company.

Radio One Media Holdings, LLC is a Delaware limited liability company, the sole member of which is Urban One, Inc. Radio One Media Holdings, LLC owns 80.0% of the common stock of Reach Media, Inc., a Texas corporation.

Radio One Distribution Holdings, LLC is a Delaware limited liability company, the sole member of which is Urban One, Inc. Radio One Distribution Holdings, LLC is the sole member of Distribution One, LLC which is a Delaware limited liability company.

Interactive One, Inc., a Delaware corporation, is a wholly owned subsidiary of Urban One, Inc. and the sole member of Interactive One, LLC.

Interactive One, LLC, is a Delaware limited liability company, the sole member of which is Interactive One, Inc.

Radio One Urban Network Holdings, LLC, is a Delaware limited liability company, the sole member of which is Urban One, Inc.

Radio One Entertainment Holdings, LLC, is a Delaware limited liability company, the sole economic and majority voting member of which is Urban One, Inc.

BossipMadameNoire, LLC, is a Delaware limited liability company, the sole member of which is Urban One, Inc.

RO One Solution, LLC, is a Delaware limited liability company, the sole member of which is Urban One, Inc.

Urban One Productions, LLC, is a Delaware limited liability company, the sole member of which is Urban One, Inc.

Urban One Entertainment SPV, LLC, is a Delaware limited liability company, the sole economic and majority voting member of which is Radio One Entertainment Holdings, LLC, a wholly-owned subsidiary of Urban One, Inc.

T Tenth Productions, LLC, is a Delaware limited liability company, the sole member of which is TV One, LLC.

Charlie Bear Productions, LLC, is a Maryland limited liability company, the sole member of which is TV One, LLC.

CLEOTV, LLC, is a Delaware limited liability company, the sole member of which is TV One, LLC.

EXHIBIT 23.1

Consent of Independent Registered Public Accounting Firm

Urban One, Inc.
Silver Spring, Maryland

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3/A (No. 333-223695), Form S-3 (No. 333-257149, No. 333-257037 and No. 333-241635) and Form S-8 (No. 333-232991 and No. 333-258874) of Urban One, Inc. of our reports dated March 15, 2022, relating to the consolidated financial statements and schedule, and the effectiveness of Urban One's internal control over financial reporting, which appear in this Form 10-K.

/s/ BDO USA, LLP
Potomac, Maryland
March 15, 2022

EXHIBIT 31.1

I, Alfred C. Liggins, III, certify that:

1. I have reviewed this annual report on Form 10-K of Urban One, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of this report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 15, 2022

By: /s/ Alfred C. Liggins, III

Alfred C. Liggins, III

President and Chief Executive Officer

I, Peter D. Thompson, certify that:

1. I have reviewed this annual report on Form 10-K of Urban One, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of this report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 15, 2022

By: /s/ Peter D. Thompson

Peter D. Thompson

Executive Vice President, Chief Financial Officer
and Principal Accounting Officer

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Urban One, Inc. (the “Company”) hereby certifies, to such officer’s knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2021 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 15, 2022

By: /s/ Alfred C. Liggins, III

Name: Alfred C. Liggins, III

Title: President and Chief Executive Officer

A signed original of this written statement required by Section 906 has been provided to Urban One, Inc. and will be retained by Urban One, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Urban One, Inc. (the “Company”) hereby certifies, to such officer’s knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the year ended December 31, 2021 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 15, 2022

By: /s/ Peter D. Thompson

Name: Peter D. Thompson

Title: Executive Vice President, Chief Financial Officer
and Principal Accounting Officer

A signed original of this written statement required by Section 906 has been provided to Urban One, Inc. and will be retained by Urban One, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.