

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

<p>In re:</p> <p>IHEARTMEDIA, INC., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Chapter 11</p> <p>Case No. 18-31274 (MI)</p> <p>(Jointly Administered)</p>
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**DEBTORS’ MOTION FOR
ENTRY OF AN ORDER AUTHORIZING
THE DEBTORS TO FILE UNDER SEAL AND REDACT PORTIONS
OF DEBTORS’ MOTION FOR ENTRY OF AN ORDER (I) APPROVING
THE DEBTORS’ ENTRY INTO A PURCHASE AGREEMENT, (II) GRANTING
ADMINISTRATIVE EXPENSE STATUS, AND (III) GRANTING RELATED RELIEF**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

A HEARING WILL BE HELD ON THIS MATTER ON SEPTEMBER 25, 2018, AT 2:30 P.M. (CT) BEFORE THE HONORABLE MARVIN ISGUR, 515 RUSK STREET, COURTROOM 404, HOUSTON, TEXAS 77002.

The above-captioned debtors and debtors in possession (collectively, the “Debtors”) respectfully state as follows in support of this motion (this “Motion”):²

¹ Due to the large number of Debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the Debtors and the last four digits of their tax identification, registration, or like numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.primeclerk.com/iheartmedia>. The location of Debtor iHeartMedia, Inc.’s principal place of business and the Debtors’ service address is: 20880 Stone Oak Parkway, San Antonio, Texas 78258.

² Capitalized terms used but not defined herein have the meanings ascribed to them in the Purchase Motion (as defined herein), filed contemporaneously herewith.

Relief Requested

1. The Debtors seek entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Order”): (a) authorizing the Debtors to file under seal those redacted portions of the *Debtors’ Motion for Entry of an Order (I) Approving the Debtors’ Entry Into a Purchase Agreement, (II) Granting Administrative Expense Status, and (III) Granting Related Relief* (the “Purchase Motion”), (b) authorizing the Debtors to file the Purchase Agreement (as defined herein) attached as **Exhibit B** to the Purchase Motion under seal, and (c) directing that those redacted portions of the Purchase Motion and the entire Purchase Agreement shall remain under seal and confidential and not be made available to anyone, without the prior written consent of the Debtors, except on a confidential and professionals’ eyes only basis to (i) the Court, (ii) the United States Trustee for the Southern District of Texas (the “U.S. Trustee”), (iii) advisors to the Official Committee of Unsecured Creditors (the “Committee”), the Term Loan/PNG Group, the Term Lender Group, and the 2021 Noteholder Group,³ and (iv) any other party as may be ordered by the Court or agreed to by the Debtors.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. The Debtors confirm their consent, pursuant to rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter

³ “Term Loan/PNG Group,” “Term Lender Group,” and “2021 Noteholder Group” shall have the meanings ascribed to them in the *Disclosure Statement Relating to the Third Amended Joint Chapter 11 Plan of Reorganization of iHeartMedia, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 1347].

final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is permissible pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105(a) and 107(b) of title 11 of the United States Code (the “Bankruptcy Code”), Bankruptcy Rule 9018, and rules 9037-1 and 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”).

Background

5. By the Purchase Motion, the Debtors seek entry of an order: (a) approving Debtors iHeartMedia + Entertainment, Inc. and iHeartMedia, Inc.’s entry into that certain Membership Interest Purchase Agreement, dated August 29, 2018, with the Company, the Sellers, and certain other persons that become parties thereto (the “Purchase Agreement”); (b) granting administrative expense status to all amounts due under the Purchase Agreement by Debtors; and (c) granting related relief.

6. The Purchase Motion and the Purchase Agreement contain information that is commercially sensitive at this time, including information about the proposed acquisition, the terms and conditions of such acquisition, and the Debtors’ future business strategy. Disclosing this information could harm the Debtors, including during negotiations of other comparable transactions and by prematurely divulging the Debtors’ business strategy to competitors.⁴ In addition, disclosing certain economic terms of the proposed acquisition to third parties that may

⁴ The Debtors are presently considering issuing a public announcement regarding the proposed acquisition. However, the timing, nature, and scope of such an announcement remains uncertain at this time and is dependent on other strategic considerations with respect to the Debtors’ business. In the event that the Debtors issue such a public announcement prior to the Court’s consideration of the Purchase Motion, the Debtors may refile the Purchase Motion with certain portions unredacted.

also be interested (or that may become interested) in acquiring the Company could risk the Debtors' ability to execute the transaction. Accordingly, the Debtors seek authority to redact certain portions of the Purchase Motion and to file the Purchase Agreement under seal.

Basis for Relief

7. Section 105(a) of the Bankruptcy Code codifies the inherent equitable powers of the bankruptcy court and empowers the bankruptcy court to "issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." Section 107(b) of the Bankruptcy Code provides bankruptcy courts with the power to issue orders that will protect entities from potential harm that may result from the disclosure of certain confidential information. *See In re Gen. Homes Corp.*, 181 B.R. 898, 903 (Bankr. S.D. Tex. 1995). This section provides in relevant part: "On request of a party in interest, the bankruptcy court shall, and on the bankruptcy court's own motion, the bankruptcy court may . . . protect an entity with respect to a trade secret or confidential research, development, or commercial information." 11 U.S.C. § 107(b)(1).

8. Further, Bankruptcy Rule 9018 defines the procedures by which a party may move for relief under section 107(b) of the Bankruptcy Code. Specifically, Bankruptcy Rule 9018 provides, in relevant part, that on motion "the court may make any order which justice requires . . . to protect the estate or any entity in respect of a trade secret or other confidential research, development, or commercial information" Additionally, Bankruptcy Local Rule 9037-1 provides, in relevant part, that "[a] motion, reply or other document may initially be filed under seal if the filing party simultaneously files a motion requesting that the document be maintained under seal."

9. If the material sought to be protected satisfies one of the categories identified in section 107(b), “the court is *required* to protect a requesting party and has no discretion to deny the application.” *Video Software Dealers Assocs. v. Orion Pictures Corp. (In re Orion Pictures Corp.)*, 21 F.3d 24, 27 (2d Cir. 1994) (emphasis in original). Moreover, the resulting order should be broad (*i.e.*, “any order which justice requires”). *In re Global Crossing, Ltd.*, 295 B.R. 720, 724 (Bankr. S.D.N.Y. 2003); Fed. R. Bankr. P. 9018. “Courts have supervisory powers over their records and files and may deny access to those records and files to prevent them from being used for an improper purpose.” *In re Kaiser Aluminum Corp.*, 327 B.R. 554, 560 (D. Del. 2005). Courts are required to provide such protections “generally where open inspection may be used as a vehicle for improper purposes.” *Orion Pictures*, 21 F.3d at 27. Indeed, the “authority goes not just to the protection of confidential documents, but to other confidentiality restrictions that are warranted in the interests of justice.” *Global Crossing*, 295 B.R. at 724.

10. Commercial information is information which would result in “an unfair advantage to competitors by providing them information as to the commercial operations of the debtor.” *In re Alterra Healthcare Corp.*, 353 B.R. 66, 75 (Bankr. D. Del. 2006) (citing *Video Software Dealers Ass’n v. Orion Pictures Corp. (In re Orion Pictures Corp.)*, 21 F.3d 24, 27 (2d Cir. 1994)). Commercial information need not rise to the level of a “trade secret” to be protected under section 107(b) of the Bankruptcy Code. *Orion Pictures*, 21 F.3d at 28; *see also In re Faucett*, 438 B.R. 564, 567 (Bankr. W.D. Tex. 2010) (citing *In re Northstar Energy, Inc.*, 315 B.R. 425, 429 (Bankr.E.D.Tex.2004) (“A bankruptcy court is *required* to seal documentary information filed in court that does not rise to the level of a trade secret but that is so critical to the operations of the entity seeking the protective order that its disclosure will unfairly benefit that entity’s competitors.”) (emphasis added)). Rather, section 107(b)’s protections extend to commercial

information that, if disclosed to the public, could be used by various parties for an unfair advantage. *Id.* at 27–28. Once a court determines that a party in interest is seeking to protect “commercial information,” the court “is required to protect a requesting interested party and has no discretion to deny the application.” *Id.* at 27.

11. Here, the Debtors seek to preserve the confidentiality of two categories of information. The Debtors believe that maintaining the confidentiality of this information is necessary to ensuring the Debtors are not harmed, thereby preserving the value of the Debtors’ estates.

12. *First*, the Debtors seek to seal the identity of the Company and its industry at this time. The proposed acquisition represents a strategic movement by the Debtors within the Company’s industry, and the Debtors could be harmed by prematurely divulging their business strategy to competitors. As noted above, the Debtors are currently evaluating a potential public announcement of the proposed acquisition, but the timing, nature, and scope of any such announcement must be carefully calculated. The Debtors do not believe that such a public disclosure at this time is appropriate.

13. *Second*, the Debtors seek to seal the Purchase Agreement and certain economic terms of the proposed acquisition. Public disclosure of this information could cause commercial injury by materially harming the Debtors’ negotiating position in future transactions. Moreover, disclosure of such information to third parties that might be interested (or that may become interested) in acquiring the Company could risk the Debtors’ ability to execute the transaction that the Debtors believe will increase their cash flows and profits.

14. The Debtors must balance the needs of disclosure against the desire to remain a competitive force and maximize the value of their estates. The Debtors have selectively redacted

only that information the public disclosure of which could harm the Debtors. In addition, the Debtors have provided all redacted information to the advisors of certain of their key constituents, including the Committee, the Term Loan/PGN Group, the Term Lender Group, and the 2021 Noteholder Group. Therefore, the Debtors believe they have struck the appropriate balance.

Notice

15. Notice of the hearing on the relief requested in the Motion has been provided by the Debtors in accordance and compliance with Bankruptcy Rules 4001 and 9014, as well as the Bankruptcy Local Rules, and is sufficient under the circumstances. Without limiting the forgoing, due notice was afforded, whether by facsimile, electronic mail, overnight courier or hand delivery, to parties in interest, including: (a) the U.S. Trustee; (b) counsel to the Committee; (c) the agent for the Debtors' receivables based credit facility; (d) the agent for the Debtors' term loan credit facility; (e) the indenture trustees for the Debtors' priority guarantee notes, 14.0% senior notes due 2021, 6.875% senior notes due 2018, and 7.25% senior notes due 2027; (f) counsel to an ad hoc group of lenders under the Debtors' term loan credit facility and priority guarantee noteholders; (g) counsel to an ad hoc group of lenders under the Debtors' term loan credit facility; (h) counsel to an ad hoc group of holders of 6.875% senior notes due 2018 and 7.25% senior notes due 2027; (i) counsel to an ad hoc group of holders of 14.0% senior notes due 2021; (j) the Office of the United States Attorney for the Southern District of Texas; (k) the state attorneys general for states in which the Debtors conduct business; (l) the Internal Revenue Service; (m) the Securities and Exchange Commission; and (n) any party that has requested notice pursuant to Bankruptcy Rule 2002. The Debtors submit that, in light of the nature of the relief requested, no other or further notice need be given.

No Prior Request

16. No prior request for the relief sought in this Motion has been made to this or any other court.

[Remainder of page intentionally left blank.]

WHEREFORE, the Debtors respectfully request that the Court enter the Order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested in this Motion and granting such other relief as is appropriate under the circumstances.

Houston, Texas
August 31, 2018

/s/ Patricia B. Tomasco

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*Co-Counsel to the Debtors
and Debtors in Possession*

Certificate of Service

I certify that on August 31, 2018, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Patricia B. Tomasco

Patricia B. Tomasco

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

<p>In re:</p> <p>IHEARTMEDIA, INC., <i>et al.</i>,¹</p> <p style="text-align: center;">Debtors.</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>Chapter 11</p> <p>Case No. 18-31274 (MI)</p> <p>(Jointly Administered)</p>
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**ORDER AUTHORIZING
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OF DEBTORS’ MOTION FOR ENTRY OF AN ORDER (I) APPROVING
THE DEBTORS’ ENTRY INTO A PURCHASE AGREEMENT, (II) GRANTING
ADMINISTRATIVE EXPENSE STATUS, AND (III) GRANTING RELATED RELIEF**

(Relates to ECF No. ____)

Upon the motion (the “Motion”)² of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an order (this “Order”) (a) authorizing the Debtors to file under seal those redacted portions of the *Debtors’ Motion for Entry of an Order (I) Approving the Debtors’ Entry Into a Purchase Agreement, (II) Granting Administrative Expense Status, and (III) Granting Related Relief* (the “Purchase Motion”), (b) authorizing the Debtors to file the Purchase Agreement attached as Exhibit B to the Purchase Motion under seal, and (c) directing that those redacted portions of the Purchase Motion and the entire Purchase Agreement shall remain under seal and confidential and not be made available to anyone, without the prior written consent of the Debtors, except on a confidential and professionals’ eyes only basis to (i) the Court, (ii) the U.S.

¹ Due to the large number of Debtors in these chapter 11 cases, for which joint administration has been granted, a complete list of the Debtors and the last four digits of their tax identification, registration, or like numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors’ claims and noticing agent at <https://cases.primeclerk.com/iheartmedia>. The location of Debtor iHeartMedia, Inc.’s principal place of business and the Debtors’ service address is: 20880 Stone Oak Parkway, San Antonio, Texas 78258.

² Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Motion.

Trustee, (iii) advisors to the Committee, the Term Loan/PGN Group, the Term Lender Group, and the 2021 Noteholder Group, and (iv) any other party as may be ordered by the Court or agreed to by the Debtors, all as more fully set forth in the Motion; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that it may enter a final order consistent with Article III of the United States Constitution; and this Court having found that venue of this proceeding and the Motion in this district is permissible pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the "Hearing"); and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted as set forth in this Order.
2. The Debtors are authorized to file those redacted portions of the Purchase Motion under seal. Those redacted portions of the Purchase Motion shall remain confidential, and shall not be made available to anyone, other than as provided in paragraph 4 of this Order, without the prior written consent of the Debtors or further order of the Court.
3. The Debtors are authorized to file under seal the Purchase Agreement attached as Exhibit B to the Purchase Motion. The Purchase Agreement shall remain confidential, and shall

not be made available to anyone, other than as provided in paragraph 4 of this Order, without the prior written consent of the Debtors or further order of the Court.

4. The Debtors are authorized to cause the unredacted version of the Purchase Motion and the unsealed version of the Purchase Agreement to be served on and made available to: (a) the Court, (b) the U.S. Trustee, and (c) the advisors to the Committee, the Term Loan/PGN Group, the Term Lender Group, and the 2021 Noteholder Group (in each case on a confidential and professionals' eyes only basis).

5. The Debtors and any party authorized to receive the redacted Purchase Motion and sealed Purchase Agreement shall be authorized and directed, subject to Bankruptcy Local Rule 9037-1, to redact specific references to the information set forth therein from pleadings filed on the public docket maintained in these chapter 11 cases.

6. The terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

7. This Order is without prejudice to the rights of any party in interest to seek to declassify and make public any portion of the material filed under seal.

8. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

9. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

Dated: _____, 2018
Houston, Texas

MARVIN ISGUR
UNITED STATES BANKRUPTCY JUDGE