To:	**Bill Adee**
From:	**Mike Sinnott**
Date:	**March 5, 2020**
Re:	**Acquisition-Consolidation-Distribution**

The Rationale
A path forward in which we capture a potential $1-million in profit makes tremendous sense for our businesses moving forward. Without a capital investment to purchase our network, we propose an "earn out" of our radio business. VSiN will use the profits generated from the joint venture to pay for the purchase of the radio network; earn a share of the profits generated; and increase your share of the profits as your "ownership" of the business increases. Eventually, after a full transfer of ownership, VSiN will capture all of the profits.

The "earn out" acquisition will take the form of a note payable to Gow Media in monthly installments until the note is paid in full. This discussion is built upon the premise that the parties will share the profits as outlined by our analysis of our combined operations moving forward.

Percentage of Profit & Ownership Share
A percentage of the profits will be dedicated to paying down the note while the remainder of the profits will create positive cash flow for VSiN. As the note is paid down, VSiN will earn a higher-percentage of the company and its profits. For example, at start, Gow Media will keep 80-percent of the profits while VSiN will keep 20-percent. After 20-percent of the note has been paid, Gow Media will keep 70-percent of the profits and VSiN will be entitled to 30-percent of the profits. This incremental earning of the profits and ownership will continue until the note is paid in full. At that time, VSiN will take complete ownership of the radio network.

At the consummation of the agreement, VSiN will be entitled to 20-percent of the profits earned as a result of the combined venture. If we apply this metric to SB Nation Radio's 2019 revenue performance and a combined expected monthly overhead of $76,438, then VSiN would have earned $216,553.20 in profit. At this rate, VSiN's escalator for a 30% ownership stake in the business will be attained in approximately 18-months or sooner, depending on the final acquisition price.

2019	REVENUE	EXPENSES	PROFIT	GOW 80%	VSIN 20%
JAN	$ 150,894.00	$ 76,438.00	$ 74,456.00	$ 59,564.80	$ 14,891.20
FEB	$ 164,405.00	$ 76,438.00	$ 87,967.00	$ 70,373.60	$ 17,593.40
MARCH	$ 165,951.00	$ 76,438.00	$ 89,513.00	$ 71,610.40	$ 17,902.60
APRIL	$ 184,360.00	$ 76,438.00	$ 107,922.00	$ 86,337.60	$ 21,584.40
MAY	$ 198,116.00	$ 76,438.00	$ 121,678.00	$ 97,342.40	$ 24,335.60
JUNE	$ 155,958.00	$ 76,438.00	$ 79,520.00	$ 63,616.00	$ 15,904.00
JULY	$ 179,499.00	$ 76,438.00	$ 103,061.00	$ 82,448.80	$ 20,612.20
AUG	$ 178,832.00	$ 76,438.00	$ 102,394.00	$ 81,915.20	$ 20,478.80
SEPT	$ 172,820.00	$ 76,438.00	$ 96,382.00	$ 77,105.60	$ 19,276.40
OCT	$ 156,277.00	$ 76,438.00	$ 79,839.00	$ 63,871.20	$ 15,967.80
NOV	$ 174,003.00	$ 76,438.00	$ 97,565.00	$ 78,052.00	$ 19,513.00
DEC	$ 118,907.00	$ 76,438.00	$ 42,469.00	$ 33,975.20	$ 8,493.80
TOTALS	$ 2,000,022.00	$ 917,256.00	$ 1,082,766.00	$ 866,212.80	$ 216,553.20

Loss of business resulting from the switch from SB Nation Radio to VSiN
Gow Media's short-form "Sports Flash" platform remains insulated from a drop in advertising revenue that may result from the switching from SB Nation Radio to "The BetR Network" programming. This "white label" platform will not be affected in anyway by a switch to VSiN programming. At a minimum, that revenue is expected to remain the same and will likely increase in 2020. We project more than $725,000 "Sports Flash" revenue in 2020. VSiN will be entitled to 20% of the profit from the "Sports Flash" business under the structure of our combined business moving forward.

With the sale of the network, there is a possibility of the loss of advertisers due to the switch in the content from traditional sports-talk to VSiN programming. Our projections take into account the loss of as much as 30-percent of revenue generated from the long-form network business. Even with a 30-percent loss of revenue resulting in the sale of the network, VSiN can still expect to realize a profit of $176,000 alone from more than $881,000 in revenue from the long-form programming.

The tables below detail (a) long-form revenue loss from 0-30%; (b) profit after loss of long-form revenue; (c) Gow Media/VSiN's share of that profit under percentages from 80/20 to 50/50; and (d) VSiN's share of the profit from only the revenue generated from the long-form programming.

VSIN 20% PROFIT & OWNERSHIP (LONG-FORM PROGRAMMING)

REV LOSS	0%	10%	20%	30%
PROFIT	**$ 1,277,369.50**	**$ 1,145,504.36**	**$ 1,013,639.22**	**$ 881,774.08**
GOW 80%	$ 1,021,895.60	$ 916,403.49	$ 810,911.38	$ 705,419.26
VSiN 20%	$ 255,473.90	$ 229,100.87	$ 202,727.84	$ 176,354.82

VSIN 30% PROFIT & OWNERSHIP (LONG-FORM PROGRAMMING)

REV LOSS	0%	10%	20%	30%
PROFIT	**$ 1,277,369.50**	**$ 1,145,504.36**	**$ 1,013,639.22**	**$ 881,774.08**
GOW 70%	$ 894,158.65	$ 801,853.05	$ 709,547.45	$ 617,241.86
VSiN 30%	$ 383,210.85	$ 343,651.31	$ 304,091.77	$ 264,532.22

VSIN 40% PROFIT & OWNERSHIP (LONG-FORM PROGRAMMING)

REV LOSS	0%	10%	20%	30%
PROFIT	**$ 1,277,369.50**	**$ 1,145,504.36**	**$ 1,013,639.22**	**$ 881,774.08**
GOW 60%	$ 766,421.70	$ 687,302.62	$ 608,183.53	$ 529,064.45
VSiN 40%	$ 510,947.80	$ 458,201.74	$ 405,455.69	$ 352,709.63

VSIN 50% PROFIT & OWNERSHIP (LONG-FORM PROGRAMMING)

REV LOSS	0%	10%	20%	30%
PROFIT	**$ 1,277,369.50**	**$ 1,145,504.36**	**$ 1,013,639.22**	**$ 881,774.08**
GOW 50%	$ 638,684.75	$ 572,752.18	$ 506,819.61	$ 440,887.04
VSiN 50%	$ 638,684.75	$ 572,752.18	$ 506,819.61	$ 440,887.04

Escalation of Profits & Ownership
VSiN's ownership share will increase after each monetary benchmark is reached. It's not a complicated formula as demonstrated in the tables that appear below. As VSiN "invests" in the company via the profits that Gow Media captures from the venture moving forward, VSiN will earn an ever increasing share of the profits and ownership in our radio business.

OWNERSHIP SHARE EXCALATORS & INVESTMENT BENCHMARKS

VALUATION	$8,000,000.00

OWNERSHIP	INVESTMENT
20%	$1,600,000.00
30%	$2,400,000.00
40%	$3,200,000.00
50%	$4,000,000.00

VALUATION	$6,500,000.00

OWNERSHIP	INVESTMENT
20%	$1,300,000.00
30%	$1,950,000.00
40%	$2,600,000.00
50%	$3,250,000.00

VALUATION	$5,000,000.00

OWNERSHIP	INVESTMENT
20%	$1,000,000.00
30%	$1,500,000.00
40%	$2,000,000.00
50%	$2,500,000.00

Gow Media manages combined entity moving forward
To ensure that third-party financial considerations do not interfere with VSiN's ability to service the debt, Gow Media will manage the financial aspects of the radio business until the note is paid in full. That includes billing, collections, accounts payable, accounts receivable, and payroll for those who remained employed by Gow Media in joint venture. Gow Media will capture its share of the profits to pay down the note while distributing VSiN's share of the profits in a timely fashion. This ensures a separation of financial resources until the note is paid in full.

It is important to keep the radio platform separate from the rest of the VSiN businesses to better control costs associated with the business. Essentially, Gow Media will continue to manage the radio business as it does now to ensure a healthy profit margin for both parties to service and debt and create profits for VSiN.

Staffing considerations after "merger" or sale
As outlined by David Gow, VSiN would retain certain Gow Media staff, including:

- -Sports Flash/News Flash anchoring team;
- -sales executives who sell advertising for the network;
- -traffic department that handles the scheduling of commercials for the network;
- -accounts payable/receivable department.

These are the strongest revenue-generating functions of the network business and are critical to your ability to pay off the note.

Our asking price for the radio network is for us to forego our current branding partnership and all assets pertaining to our network radio business, including but not limited to our advertising revenue stream, broadcast equipment, and intellectual property, among others. A full accounting of all assets will be provided to VSiN, and you have the right to inspect our studios in Houston and review all of our accounting documents, contracts, and any other materials that are pertinent to our business.

With the acquisition, there will be cost savings for VSiN. Eliminated in the acquisition will be the following:

- -fees to lease of the Gow Media Audio Vault system to run BetR Network;
- -monthly fees for the management of BetR Network, including traffic and affiliate sales;
- -licensing fees for the use of the Counterpoint software; and,
- -satellite fees paid to Westwood One for BetR Network.

These fees will be covered in VSiN's agreed upon share of the gross network revenues. With your acquisition of Gow Meda's radio network, you're actually decreasing monthly expenditures, since you're paying for these overhead costs from the acquired revenue stream.

The Skyview Situaiton
As we've previously discussed, Skyview has pitched us on multiple occasions. Unfortunately, they could never deliver enough revenue to make the move to them for our network. In fact, it became apparent in our latest discussion with them that our network was not big enough for them to take our business. Perhaps the combination of our two platforms would be of more interest to Skyview. On another note, we have more money on the books as of this date ($1.078-million as of March 5, 2020) than they could promise for all of 2020 as the exclusive seller of our network. Our business model includes multiple sellers who deliver our more revenue than any one exclusive seller can promise.

We agree that Skyview is among the best in our business at radio sales, but they cannot guarantee a minimum revenue stream of $2-million annually as the only "seller" of our network. It is simply not feasible for us to dump our current sales infrastructure for one that cannot deliver the same results.

Risk Mitigation
The structure of this deal significantly reduces VSiN's risk in moving forward with the "purchase" of the radio network. First, you're not dedicating monetary resources to buy the network. Instead, you're establishing a new revenue stream that will be dedicated to paying for the radio network while also earning a profit for your business.

Second, this "earn out" structure gives you flexibility in regards to paying off the debt. As the business grows, the profit grows, and your share of the business grows. If for some reason prior to taking complete ownership of the business, VSiN decides that it no longer wants to participate in this venture, then VSiN will continue to own the percentage of the business at the time of its exit. Let's say that after paying 40-percent of the note, for whatever reason, VSiN is unable to continue participating in the venture. VSiN will still own 40-percent of the business and will be entitled to all of the associated benefits for that ownership share.

It's always advisable to plan for the worst while working for the best outcomes. If, for any reason, VSiN ceases to exist or decides not to continue participating in this venture, then you would not be liable for the remainder of the note. The debt is not "fully" vested until the note is paid in full. Instead, VSiN will own a percentage of our business based on the amount "invested" into the radio network.

Variations of this Plan
We're committed to finding a path forward for us to both reap the benefits of the potential profit for our businesses, including: selling the long-form network separately from the "Sports Flash" network for a lower price; "buyout" options for VSiN to purchase the entire network at certain benchmarks; and earning a share of VSiN's business as consideration. Our only goal is to find the best way for us to take advantage of the tremendous profit potential of a combined venture.

Benefits of acquisition
This presents a tremendous opportunity for VSiN, including:

-acquisition of our radio network without a capital expenditure;
-revenue stream dedicated to paying for your acquisition;
-positive cash flow from the profits of the combined entity;
-expanded distribution of your programming on our radio platform;
-promotional platform for VSIN subscriptions, merchandise, and special publications;
-increase in your income statement makes your business a more attractive investment.