

**LOS ANGELES PUBLIC LIBRARY
BOARD REPORT**

September 11, 2025

TO: Board of Library Commissioners
FROM: John F. Szabo, City Librarian
SUBJECT: **APPROVAL OF THE SECOND AMENDMENT AND RESTATED ANGEL CITY PRESS GIFT AGREEMENT (CONTRACT NO. C-145483)**

A. RECOMMENDATIONS:

That the Board of Library Commissioners (Board):

1. Approve the Second Amendment and Restated Angel City Press Gift Agreement (Second Amendment), substantially in the form on file in the Board Office.
2. Authorize the City Librarian and the City Attorney to make any technical and clerical changes, if needed, to the Second Amendment.
3. Authorize the Board President and the Board Secretary to execute the Second Amendment upon the completion of all required approvals.
4. Adopt the attached Resolution regarding the Second Amendment to the Angel City Press Gift Agreement (Contract No. C-145483).

B. BACKGROUND:

1. On December 14, 2023, the Board approved a Gift Agreement to donate and transfer the rights and obligations of the Angel City Press operation from Patricia Calistro-McAuley and Scott McAuley (Proprietors) to the Library (Library Resolution No. 2023-46 [C-37]).
2. The gift was made to help ensure that the Angel City Press operation would continue its vital role of providing local writers the opportunity to create books that explore all that is quintessentially Los Angeles, and provide readers with books that celebrate and deepen their understanding of the people, places and ideas that shape their city. The Library is committed to continuing the legacy of Angel City Press with new books, as well as extending the reach of existing titles locally, nationally and internationally.
3. The Gift Agreement was executed on June 11, 2024, as Contract No. C-145483 and includes reimbursements to the Proprietors of Angel City Press for the cost and expenses of services related to books or author

agreements published, and business transactions entered into, through the Proprietors' business closing date.

4. The First Amendment revised the reimbursement amount from \$225,000 to \$331,734.54; and finalized the closing date of June 11, 2024.
5. This Second Amendment will extend the end date of the transition period from June 11, 2025 to June 11, 2026.
6. This Second Amendment has been reviewed by the City Attorney and is ready to be transmitted for processing.

Attachments

Prepared by: Claudia Aguilar, Senior Management Analyst

Reviewed by: Madeleine M. Rackley, Library Business Manager
Susan Broman, Assistant City Librarian

RESOLUTION

September 11, 2025

LIBRARY RESOLUTION NO. 2025-__ (C-__)

WHEREAS, on December 14, 2023, the Board approved a Gift Agreement to donate and transfer the rights and obligations of the Angel City Press operation from Patricia Calistro-McAuley and Scott McAuley (Proprietors) to the Library (Library Resolution No. 2023-46 [C-37]); and

WHEREAS, the gift was made to help ensure that the Angel City Press operation would continue its vital role of providing local writers the opportunity to create books that explore all that is quintessentially Los Angeles, and provide readers with books that celebrate and deepen their understanding of the people, places and ideas that shape their city; and

WHEREAS, the Library is committed to continuing the legacy of Angel City Press with new books, as well as extending the reach of existing titles locally, nationally and internationally; and

WHEREAS, the Gift Agreement was executed on June 11, 2024, as Contract No. C-145483 and includes reimbursements to the Proprietors of Angel City Press for the cost and expenses of services related to books or author agreements published, and business transactions entered into, through the Proprietors' business closing date; and

WHEREAS, the First Amendment to the Gift Agreement finalized the reimbursement amount and revised the Proprietors' business closing date; and

WHEREAS, additional time is necessary to complete the execution of Author Authorization Addendums for various Contingent Author Agreements; and

WHEREAS, the Second Amendment to the Gift Agreement will extend the end date of the transition period from June 11, 2025 to June 11, 2026:

THEREFORE, BE IT RESOLVED, that the Board adopts the recommendations and findings of the City Librarian's Board Report and approves the Second Amendment and Restated Gift Agreement (Contract No. C-145483); and

FURTHER RESOLVED, that the Board hereby authorizes the City Librarian and the City Attorney to make technical and clerical corrections, if needed, to the Second Amendment and Restated Gift Agreement (Contract No. C-145483).

This is a true copy:

**SECOND AMENDED AND RESTATED
ANGEL CITY PRESS GIFT AGREEMENT
(CONTRACT NO. C-145483)**

This Second Amended and Restated Angel City Press Gift Agreement ("Agreement") is entered into by and among Angel City Press, a California corporation ("Company"), the Company's shareholders, Patricia Calistro McAuley and Scott McAuley (each a "Shareholder" and collectively the "Shareholders" and together with Company, the "Donors") and the City of Los Angeles, a municipal corporation, acting by and through its Board of Library Commissioners, ("City" or "Board"). This Agreement is effective upon the date attested by the City Clerk. Capitalized terms used in this Agreement have the meanings given to such terms herein.

WHEREAS, Donors are engaged in the business of book publishing (the "**Business**");

WHEREAS, Donors wish to irrevocably and unconditionally donate and transfer to City, and City wishes to accept from Donors, the rights and obligations of Donors to the Donated Assets and the Assumed Liabilities, subject to the terms and conditions set forth herein;

WHEREAS, the Donors' gift of the Business will further the Library's mission to provide free and easy access to information, ideas, books, and technology that enrich, educate, and empower every individual in the City's diverse communities by continuing to provide books from the Business's catalog and by publishing books that enrich, educate, and empower individuals; and

WHEREAS, the Business, as anticipated to be continued under the auspices of the Library, will be an enterprise that supports and enhances the Library's efforts to elevate the Library's collections and resources, particularly special collections, by increasing access to the history, art, and culture of Southern California.

WHEREAS, on December 14, 2023, the Board approved the original Gift Agreement to donate and transfer the rights and obligations of the Company from the Donors to the Library Department ("Los Angeles Public Library" or "Library") (Library Resolution No. 2023-46 [C-37]);

WHEREAS, the gift was made to help ensure that the Angel City Press operation would continue its vital role of providing local writers the opportunity to create books that explore all that is quintessentially Los Angeles, and provide readers with books that celebrate and deepen their understanding of the people, places and ideas that shape their city;

WHEREAS, the Library is committed to continuing the legacy of Angel City Press with new books, as well as extending the reach of existing titles locally, nationally and internationally;

WHEREAS, the original Gift Agreement was executed on June 11, 2024, as Contract No. C-145483. It authorized reimbursements to the proprietors of Angel City Press for the costs of publishing services through the Donors' business closing date;

WHEREAS, the First Amendment to the original Gift Agreement was executed on September 4, 2025 and finalized the reimbursement amount and the Donors' business closing date;

WHEREAS, additional time is necessary to complete the execution of Author Authorization Addendums for various Contingent Author Agreements; and

WHEREAS, this Second Amended and Restated Gift Agreement will extend the post-Closing Transition Period by 12 additional months, to allow time for the execution of Author Authorization Addendums to various Contingent Author Agreements.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other goods and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I DONATION AND ACCEPTANCE

Section 1.01 Donation of Business. Subject to the terms and conditions set forth herein, at the Closing, Donors shall convey, assign, transfer, and deliver to City, and City shall accept from Donors, all of Donors' right, title, and interest in, to, and under all of the tangible and intangible assets, properties, and rights of every kind and nature and wherever located (other than the Excluded Assets), which relate to, or are used or held for use in connection with, the Business (collectively, the "**Donated Assets**"), including the following:

(a) all inventory, finished goods, work in progress, packaging, and supplies, ("**Inventory**"), except for those items of any of the foregoing set forth as Excluded Assets on Schedule 1.02 attached hereto;

(b) all Contracts (the "**Assigned Contracts**") set forth on Schedule 1.01(b) attached hereto, including:

(i) each Author Agreement (defined below) which the City (A) chooses, in its sole discretion, to assume (each, a "**Contingent Author Agreement**"), AND for which the City (B) obtains, whether before, on, or within 24 months after the Closing (defined below), an amendment to such Contingent Author Agreement agreed to and executed by the author and satisfactory in form and substance to the City (each, an "**Author Authorization Addendum**" and each Contingent Author Agreement for which the City obtains an Author Authorization Addendum, an "**Accepted Author Agreement**"); provided that each Contingent Author Agreement shall be an Excluded Asset until City has received an Author Authorization Addendum for such Contingent Author Agreement;

(c) all Intellectual Property relating to the Business (the "**IP Assets**"), where "**Intellectual Property**" means any and all: (i) trademarks and service marks, including all applications and registrations and goodwill related thereto; (ii) copyrights, including all applications and registrations related thereto; (iii) trade secrets and confidential know-how; (iv) URLs, internet domain name

registrations, website designs and e-commerce functions, including all email accounts and addresses related to the Business, including without limitation "info@angelcitypress.com"; (v) social media accounts and user names (including "handles"); and (vi) rights to the name "Angel City Press" and any other business names of the Business, whether or not such business names are registered with the County of Los Angeles or any other federal, state, local, or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any arbitrator, court, or tribunal of competent jurisdiction (collectively, "**Governmental Authority**");

(d) subject to Section 7.01, as applicable, all prepaid expenses, credits, advance payments, claims, security, refunds, rights of recovery, rights of set-off, rights of recoupment, deposits, charges, sums, and fees (including any such item relating to the payment of Taxes);

(e) all of Donors' rights under warranties, indemnities, and all similar rights against third parties to the extent related to any Donated Assets;

(f) all insurance benefits, including rights and proceeds, arising from or relating to the Business, the Assigned Contracts, the Donated Assets, or the Assumed Liabilities;

(g) copies of all books, records, files, correspondence, books of account, ledgers, general, financial, and accounting records, machinery and equipment maintenance files, warranty records, logs, journals, manuals, operating guides, instructions, customer lists, customer purchasing histories, price lists, distribution lists, supplier lists, production data, quality control records and procedures, customer complaints and inquiry files, research and development files, records, electronic mail and other electronic communications and correspondence relating to the Business including without limitation all messages found in email accounts used for the Business, data (including all correspondence with any Governmental Authority), sales material and records (including purchase orders and purchase order files), creative materials, strategic and marketing plans, advertising materials, promotional surveys, materials and research, and files relating to the IP Assets ("**Business Books and Records**"), in any format (including digital files);

(h) all goodwill and the going concern value of the Donated Assets and the Business; and

(i) current phone and fax numbers used for the Business, which are 310-395-9982 (phone) and 310-395-3353 (fax), the accounts for which, or solely the numbers without any transfer of accounts, as mutually agreed among the parties, may be transferred prior to, on, or within 60 days following the Closing Date, and any other phone or fax numbers of the Business, if any.

Section 1.02 Excluded Assets. Notwithstanding the foregoing, the Donated Assets shall not include the following assets (collectively, the "**Excluded Assets**"):

(a) the assets, properties, and rights specifically set forth on Schedule 1.02 attached hereto;

- (b) all cash and cash equivalents;
- (c) furniture, fixtures, vehicles, computers, telephones, equipment, machinery, tools, office equipment, and other tangible personal property whether or not pertaining to the operation of the Business or otherwise determined by the City in its sole discretion to be unnecessary for the operation of the Business, even if such property would otherwise constitute Donated Assets;
- (d) custom publishing agreements;
- (e) Non-Gifted ACP Author Agreements (defined below);
- (f) Contingent Author Agreements for which City has not yet obtained an Author Authorization Addendum;
- (g) vendor agreements (the "**Vendor Agreements**"), including without limitation the Distribution Agreement for Publishers, as amended, between Gibbs M. Smith Inc. and Company dated as of July 18, 2019 (the "**Distribution Agreement**"), unless a Vendor Agreement is specifically set forth on Schedule 1.01(b) (Assigned Contracts schedule);
- (h) any and all Unassumed Agreements (defined below);
- (i) the corporate seals, Organizational Documents, minute books, stock books, books of account, returns, declarations, reports, information returns and statements, and other documents relating to Taxes (including amended returns and claims for refund) ("**Tax Returns**") or other records having to do with the corporate organization of the Company, to the extent the same are not Business Books and Records; and
- (j) those books of the Inventory transferred to City which were published and printed pursuant to Contingent Author Agreements which become Unassumed Agreements at the end of the Transition Period pursuant to Section 5.07(c).

Section 1.03 Assumed Liabilities.

- (a) Subject to the terms and conditions set forth herein, City shall assume and agree to pay, perform, and discharge only the following Liabilities of Donors (collectively, the "**Assumed Liabilities**"), and no other Liabilities:
 - (i) all trade accounts payable of Donors to third parties in connection with the Business that remain unpaid and are not delinquent as of the Closing Date, provided that City may offset against Reimbursements (defined below) payable to Donors pursuant to Section 7.01 such portion of trade accounts payable as are not otherwise eligible as Reimbursements pursuant to Section 7.01 ("**Assumed Offsets**"); and
 - (ii) all Liabilities in respect of the Assigned Contracts but only to the extent that such Liabilities thereunder are required to be performed on or after the Closing Date, were incurred in the ordinary course of business, and do not relate to any failure to perform, improper performance,

warranty, or other breach, default, or violation by Donors on or prior to the Closing.

(b) Notwithstanding any provision in this Agreement to the contrary, City shall not assume and shall not be responsible to pay, perform, or discharge any Liabilities of Donors of any kind or nature whatsoever other than the Assumed Liabilities (the "**Excluded Liabilities**").

Section 1.04 Certain Definitions. For purposes of this Agreement:

(a) "**Contracts**" means all contracts, licenses, royalty agreements, and all other agreements, commitments, and legally binding arrangements, whether written or oral.

(b) "**Author Agreement**" means a publishing agreement between book authors and the Business, including those which have a term of greater than three years.

(c) "**Liabilities**" means liabilities, obligations, or commitments of any nature whatsoever, whether asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured, or otherwise.

(d) "**Non-Gifted ACP Author Agreements**" are Author Agreements not included in Assigned Contracts.

(e) "**Offsets**" means the sum of Assumed Offsets under Section 1.03(a)(i) and, pursuant to Paragraph 5.07 (a), profits received by Donors from Contingent Author Agreements between April 30, 2023 and the Closing.

(f) "**Unassumed Agreement**" means any Contract of Company which is not an Assigned Contract, including without limitation any Contingent Author Agreement for which City has not obtained an Author Authorization Addendum, custom publishing agreements, Non-Gifted ACP Author Agreements, and Vendor Agreements (unless a Vendor Agreement is scheduled as an Assigned Contract).

Section 1.05 Tax Treatment of Donation. Neither the City nor its Library Department advises Donors on tax matters and both suggest that the Donors direct any questions regarding donations as charitable contributions to the Donors' tax advisor or an office of the Internal Revenue Service or applicable state taxing authority. Neither the City nor its Library Department appraises donations or is responsible for reviewing or authenticating the validity of an appraisal, nor will City or its Library Department pay for appraisals of donated materials. Donors understand, acknowledge and agree that appraisals should be completed before the Donors transfer any portion of their donation to the City.

Section 1.06 Third Party Consents. To the extent that Donors' rights under any Donated Asset may not be assigned to City without the consent of another person which has not been obtained, this Agreement shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof or be unlawful, and

Donors, at their expense, shall have used their reasonable best efforts to obtain any such required consent(s) as promptly as possible prior to the Closing. If any such consent shall not be obtained prior to the Closing, or if any attempted assignment would be ineffective or would impair City's rights under the Donated Asset in question so that City would not in effect acquire the benefit of all such rights, Donors, to the maximum extent permitted by Law and the Donated Asset, shall act after the Closing as City's agent in order to help the City in its efforts to obtain for it the benefits thereunder and shall cooperate, to the maximum extent permitted by Law and the Donated Asset, with City in any other reasonable arrangement designed to provide such benefits to City.

ARTICLE II CLOSING

Section 2.01 Closing. Subject to the terms and conditions of this Agreement, the consummation of the transactions contemplated by this Agreement (the "**Closing**") took place remotely via electronic exchange of documents and signatures. The date on which the Closing occurred, June 11, 2024, is herein referred to as the "**Closing Date**."

Section 2.02 Closing Deliverables.

(a) At the Closing, and as a condition to the Closing and City's acceptance of the Donated Assets, Donors executed and delivered to City the following:

(i) a bill of transfer in form and substance satisfactory to City (the "**Bill of Transfer**") and duly executed by Donors;

(ii) an assignment and assumption agreement in form and substance satisfactory to City (the "**Assignment and Assumption** ") and duly executed by Donors, effecting the assignment to and assumption by City of the Donated Assets (including without limitation the Assigned Contracts) and the Assumed Liabilities;

(iii) assignments of the IP Assets in form and substance satisfactory to City, including without limitation an intellectual property assignment agreement between Donors and City, copyright and trademark assignments required to be filed with the respective federal and state agencies where copyrights and trademarks are registered, domain name assignments required to be filed with the applicable domain name registrar, and fictitious business name assignments required to be filed with the applicable Governmental Authority where fictitious business names are registered (the "**Intellectual Property Assignments**"), duly executed by the Donors, including an authorized officer of the Company;

(iv) subject to Section 1.06, those third-party consents obtained by Donor prior to Closing;

(v) Company-officer-certified copies of the resolutions of Shareholders and the Company's board of directors authorizing the execution, delivery, and performance of this Agreement, the Bill of Transfer, the Assignment and Assumption, the Intellectual Property

Assignments and the other agreements, instruments, and documents required to be delivered in connection with this Agreement or at the Closing (collectively, the "**Transaction Documents**") and the consummation of the transactions contemplated hereby and thereby; and

(vi) Company-officer certified copy of Proposed Schedule 7.01(b) (including supporting documentation), as defined in Section 7.01 hereof, delivered no later than five (5) Business Days prior to the Closing Date.

(b) At the Closing, City delivered to Donors the following:

- (i) the Bill of Transfer duly executed by City;
- (ii) the Assignment and Assumption duly executed by City;
- (iii) the IP Assignments duly executed by City;
- (iv) Schedule 7.01(b); and

(v) Official copies of (A) the resolutions of the City's Board of Library Commissioners (the "**Library Board**"), which authorize the execution, delivery, and performance of this Agreement and the Transaction Documents and the consummation of the transactions contemplated hereby and thereby, and (B) the resolutions of the City Council approving the Management Services Agreement, the City Distribution Agreement (defined below), and all Assigned Contracts for which the City's Charter and applicable governing law require City Council approval, including without limitation the Author Agreements.

(c) At the Closing, and as a condition to the Closing and City's acceptance of the Donated Assets, City received the following:

(i) that certain Agreement between the Los Angeles Public Library and Blackwood Books LLC for the Management and Operation of the Library's ACP at LAPL Publishing Operation in form and substance satisfactory to City (the "**Management Services Agreement**") and duly executed on behalf of Blackwood Books LLC by Theresa Accomazzo as its Owner and Agent; and

(ii) a Distribution Agreement for Publishers between Gibbs M. Smith Inc. and City in form and substance satisfactory to City (the "**City Distribution Agreement**") and duly executed by an authorized representative of Gibbs M. Smith Inc.

ARTICLE III REPRESENTATIONS AND WARRANTIES OF DONORS

Donors, jointly and severally, represent and warrant to City that the statements contained in this ARTICLE III are true and correct as of the date hereof.

Section 3.01 Organization and Authority of Donors. Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of California. Company has full corporate power and authority to enter into this Agreement and the other Transaction Documents to which Donors are a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by Donors of this Agreement and any other Transaction Document to which Donors are a party, the performance by Donors of their obligations hereunder and thereunder, and the consummation by Donors of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate, board, and shareholder action on the part of Company. This Agreement and the Transaction Documents constitute legal, valid, and binding obligations of each Donor enforceable against such Donor in accordance with their respective terms.

Section 3.02 No Conflicts or Consents. The execution, delivery, and performance by Donors of this Agreement and the other Transaction Documents to which they are a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) violate or conflict with any provision of the articles of incorporation, bylaws, or other governing documents of Donors (collectively, "**Organizational Documents**"); (b) violate or conflict with any provision of any statute, law, ordinance, regulation, rule, code, constitution, treaty, common law, other requirement, or rule of law of any Governmental Authority (collectively, "**Law**") or any order, writ, judgment, injunction, decree, stipulation, determination, penalty, or award entered by or with any Governmental Authority ("**Governmental Order**") applicable to Donors, the Business, or the Donated Assets; (c) require the consent, notice, declaration, or filing with or other action by any individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association, or other entity ("**Person**") or require any permit, license, or Governmental Order (other than the City in connection with this Agreement and the Transaction Documents); (d) violate or conflict with, result in the acceleration of, or create in any party the right to accelerate, terminate, modify, or cancel any Contract to which Donors are a party or by which Donors or the Business is bound or to which any of the Donated Assets are subject (including any Assigned Contract); or (e) result in the creation or imposition of any charge, claim, pledge, equitable interest, lien, security interest, restriction of any kind, or other encumbrance ("**Encumbrance**") on the Donated Assets.

Section 3.03 Financial Statements. The unaudited financial statements consisting of the five most recent fiscal years, including, if available, the balance sheet of the Business, the related statements of income and retained earnings, cash flow for the years then ended, and the bank statements from each account used by the Business, together with a year-to-date set of such statements as of the last day of the most recently completed month prior to the month in which the Library Board approves the gift of the Donated Assets (the "**Financial Statements**"), have been delivered to City. The Financial Statements have been prepared in accordance with Company's historical accounting practices, applied on a consistent basis throughout the period involved. The Financial Statements fairly present the financial condition of the Business as of the respective dates they were prepared and the results of the operations of the Business for the periods indicated. Bank statements issued as of the Closing Date have been provided, along with related income statements through that date.

Section 3.04 Undisclosed Liabilities. Donors have no Liabilities with respect to the Business, except those which are adequately reflected in the Financial Statements as of the Closing Date, which are not, individually or in the aggregate, material in amount.

Section 3.05 Irrevocable Donation. Donors acknowledge and agree that upon execution of this Agreement, the Business and Donated Assets irrevocably become the property of City. The operation, use, maintenance, and disposition of the Business and the Donated Assets are at the sole discretion of City. The above notwithstanding, should City decide to either discontinue operation or transfer ownership of the Business, to the extent permitted by law, and if approved by the Board of Library Commissioners and City Council, City agrees to offer Blackwood Books LLC the first right of refusal to take over the Business.

Section 3.06 Assigned Contracts. Each Assigned Contract, including each Author Agreement, is valid and binding on Donors in accordance with its terms and is in full force and effect and is fully assignable or transferable to the City in accordance with the terms of this Agreement. Neither Donors nor, to Donors' knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of any intention to terminate, any Assigned Contract. No event or circumstance has occurred that would constitute an event of default under any Assigned Contract or result in a termination thereof. Complete and correct copies of each Assigned Contract (including all modifications, amendments, and supplements thereto and waivers thereunder) have been made available to City. There are no material disputes pending or threatened under any Assigned Contract.

Section 3.07 Title to Donated Assets. Donors are the sole owners of the Donated Assets, have good and valid title to all of the Donated Assets, free and clear of Encumbrances and have full right, power and authority to give the Donated Assets to the City. The terms of this Agreement and the Transaction Documents shall apply to all of the Donated Assets, including any Donated Assets which may be transferred or delivered to the City after the Closing Date.

Section 3.08 Condition and Sufficiency of Assets. The Donated Assets are sufficient for the continued conduct of the Business after the Closing in substantially the same manner as conducted prior to the Closing and constitute all of the rights, property, and assets necessary to conduct the Business as currently conducted.

Section 3.09 Inventory Condition. All Inventory consists of a quality and quantity usable and salable in the ordinary course of business consistent with past practice, except for obsolete, damaged, defective, or slow-moving items that have been written off or written down to fair market value or for which adequate reserves have been established.

Section 3.10 Reserved.

Section 3.11 Material Suppliers.

(a) Schedule 3.11(a) attached hereto sets forth with respect to the Business the most important suppliers and service providers to the Business (collectively, the "**Material Suppliers**"). Donors have not received any notice, and have no reason to believe, that any of the Material Suppliers have ceased, or

intend to cease, to supply goods or services to the Business or to otherwise terminate or materially reduce their relationship with the Business.

Section 3.12 Legal Proceedings; Governmental Orders.

(a) There are no claims, actions, causes of action, demands, lawsuits, arbitrations, inquiries, audits, notices of violation, proceedings, litigation, citations, summons, subpoenas, or investigations of any nature, whether at law or in equity (collectively, "**Actions**") pending or, to Donors' knowledge, threatened against or by Donors: (a) relating to or affecting the Business, the Donated Assets, or the Assumed Liabilities; or (b) that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) There are no outstanding Governmental Orders against, relating to, or affecting the Business or the Donated Assets.

Section 3.13 Compliance with Laws. Donors are in compliance with all laws applicable to the conduct of the Business as currently conducted or the ownership and use of the Donated Assets.

Section 3.14 Taxes. Except as set forth on Schedule 3.14, all Taxes due and owing by Donors have been, or will be, timely paid. No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of Donors. Except as set forth on Schedule 3.14, all Tax Returns in connection with the Business required to be filed by Donors for any tax periods prior to Closing have been, or will be, timely filed. Such Tax Returns are, or will be, true, complete, and correct in all respects. The term "**Taxes**" means all federal, state, local, foreign, and other income, gross receipts, sales, use, production, ad valorem, transfer, documentary, franchise, registration, profits, license, withholding, payroll, employment, unemployment, excise, severance, stamp, occupation, premium, property (real or personal), customs, duties, or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest, additions, or penalties with respect thereto.

Section 3.15 Employment and Labor.

(a) Schedule 3.15(a) lists all persons other than the Shareholders who are employees, independent contractors or consultants of the Company as of the date of this Agreement, including any employee who is on a leave of absence of any nature, paid or unpaid, authorized or unauthorized, and sets forth for each such individual the following: (i) name; (ii) title or position (including whether full-time or part-time); (iii) hire or retention date; and (iv) accrued vacation and paid time-off.

(b) Donors do not have any Liability with respect to any misclassification of any employee currently or formerly classified as exempt under any applicable wage and hour Laws. All individuals classified as independent contractors or consultants are properly classified as independent contractors or consultants, as opposed to employees, under all applicable Laws. Donors have, and, since at least four (4) years prior to the date of this

Agreement, have been, in compliance in all material respects with all Contracts and any other obligations due to or in connection with (i) any current or former independent contractor or consultant; and (ii) any employee of the Company. The parties expressly agree that should any liabilities with respect to any misclassification of any current or former employee(s) of Donors preceding the execution of this Agreement be discovered, such liabilities remain with Donors and are not assumed by the City under the terms of this Agreement.

(c) Donors are and have been in compliance with all applicable laws pertaining to employment and employment practices to the extent they relate to employees, volunteers, interns, consultants and independent contractors of the Business, including all laws relating to labor relations, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, immigration, wages, hours, overtime compensation, child labor, hiring, promotion and termination of employees, working conditions, meal and break periods, privacy, health and safety, workers' compensation, leaves of absence, paid sick leave and unemployment insurance. There are no Actions against any Donor pending or threatened to be brought or filed, by or with any Governmental Authority in connection with the employment of any current or former applicant, employee, consultant, volunteer, intern or independent contractor of the Business, including, without limitation, any charge, investigation or claim relating to unfair labor practices, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, immigration, wages, hours, overtime compensation, employee classification, child labor, hiring, promotion and termination of employees, working conditions, meal and break periods, privacy, health and safety, workers' compensation, leaves of absence, paid sick leave, unemployment insurance or any other employment related matter arising under applicable Laws.

(d) All employees, independent contractors and consultants of the Company are authorized to work in the United States. The Company has properly completed all reporting and verification requirements pursuant to applicable Law relating to immigration control for all of its employees, including the Immigration Services Form I-9 requirements and any applicable mandatory E-Verify obligations. Neither the Company nor the Shareholders have received any notice from any Governmental Authority that the Company is in violation of any Law pertaining to immigration control or that any current, former employee, agent or contractor of the Company is or was not legally authorized to be employed in the United States or is or was using an invalid social security number.

Section 3.16 Insurance. Schedule 3.16 sets forth a true and complete list of all policies of insurance maintained by, or for the benefit of, the Donors or the Business or that provide coverage to the Donors and their former or current managers, directors and officers, specifying the insurer, policy number, effective dates and type of insurance, each of which is in full force and effect and will remain so until the Closing Date.

ARTICLE IV REPRESENTATIONS AND WARRANTIES OF CITY

City represents and warrants to Donors that the statements contained in this ARTICLE IV are true and correct as of the date hereof.

Section 4.01 Organization and Authority of City. City is a municipal corporation duly organized, validly existing, and in good standing under the laws of the State of California. City has full municipal corporate power and authority to enter into this Agreement and the other Transaction Documents to which City is a party, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby. The execution and delivery by City of this Agreement and any other Transaction Document to which City is a party, the performance by City of its obligations hereunder and thereunder, and the consummation by City of the transactions contemplated hereby and thereby have been duly authorized by all requisite municipal, corporate, council, mayoral and board action on the part of City. This Agreement and the Transaction Documents constitute legal, valid, and binding obligations of City enforceable against City in accordance with their respective terms.

Section 4.02 No Conflicts; Consents. The execution, delivery, and performance by City of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not violate or conflict with any provision of the Los Angeles City Charter.

ARTICLE V COVENANTS

Section 5.01 Confidentiality. From and after the Closing, Donors shall hold, and shall use their reasonable best efforts to cause its or their respective directors, officers, employees, consultants, counsel, accountants, and other agents ("**Representatives**") to hold, in confidence any and all information, whether written or oral, concerning the Business, except to the extent that Donors can show that such information: (a) is generally available to and known by the public through no fault of Donors or their respective Representatives; or (b) is subject to disclosure under applicable California Public Records Act regulations. If Donors or their respective Representatives are compelled to disclose any information by Governmental Order or Law, Donors shall promptly notify City in writing and shall disclose only that portion of such information which is legally required to be disclosed. Donors shall use reasonable best efforts to obtain as promptly as possible an appropriate protective order or other reasonable assurance that confidential treatment will be accorded such information.

Section 5.02 Name Change; Grant of Limited License.

(a) *Name Change and Use.* No later than 24 months following the Closing, Shareholders will cause Company to change its corporate name to a dissimilar name from that of the Business and the Company's current name, and agree to provide City, upon City request, a certified copy of the filed certificate of amendment of the Company's articles of incorporation which effected such name change. Following the Closing, Shareholders will not use the Company's corporate name, except to the extent necessary for the Donors to settle or pay

Company liabilities, prepare and file tax returns and other reports and to otherwise conclude and wind up the Business or any other business associated with the Business, and in order to respond to service calls and other contact from customers, vendors and other third parties which may not be aware of the donation, or for limited administrative purposes consented to by City in writing to address matters arising after the Closing that relate to the period prior to Closing.

(b) *Limited License.* For no more than 24 months following the Closing (the “**License Period**”), City grants to Donors and Company an exclusive, royalty-free limited license to use “Angel City Press” and other IP Assets to the extent necessary to perform the Donors’ obligations (including publishing, marketing, and advertising) under Section 5.07 below and under all Contingent Author Agreements which remain eligible to but have not yet become Accepted Author Agreements (and Donors remain entitled to all of the benefits under such Contingent Author Agreements as set forth in Section 5.07). Additionally, this limited license permits Donors and Company to continue using the IP Assets as needed to perform obligations under Non-Gifted ACP Author Agreements which remain in effect during the License Period, provided that Donors provide notice to City of their publishing activities during the License Period. This limited license automatically terminates in all respects and all rights to IP Assets revert to City upon expiration of the License Period.

(i) Under no circumstances may Donors perform under any custom publishing agreements (except to terminate them) following the Closing without the prior written consent of City. Donors will notify City prior to or promptly after termination of each custom publishing agreement.

(ii) Under no circumstances may Donors use the business name “ACP at LAPL” or any logos or marks developed by City in connection with that business name at any time.

Section 5.03 Public Announcements. Unless otherwise required by applicable Law, Donors may not make any public announcements in respect of this Agreement or the transactions contemplated herein without the prior written consent of City (which consent will be given or held in City’s sole discretion); provided that Donors may disclose, on a confidential basis, such information to their attorneys, accountants, consultants, financial advisors and other professionals to the extent necessary to obtain their services. City consents to the limited disclosure of information that otherwise falls within the scope of this section that was made by Donors prior to August 1, 2023 to KCET Artbound for the purpose of providing content for a forthcoming Artbound documentary show about Donors and Business. City further consents to and ratifies any prior actions taken by Donors to notify authors subject to Contingent Author Agreements about the donation, including requesting that such authors execute an Author Authorization Addendum to their Contingent Author Agreement that will become effective as of the later of the Closing Date and City’s receipt of an executed Author Authorization Addendum from such author. City and Donors agree and deem it desirable for Donors to communicate with eligible authors, provide a copy of the Author Authorization Addendum to them and seek their signatures thereto in advance of Closing.

Section 5.04 Employees and Employee Benefits.

(a) Commencing on the Closing Date, Company shall (and Shareholders shall cause Company to) terminate all independent contractors of the Business (other than Shareholders but including Theresa Accomazzo) who are actively at work on the Closing Date, and, at City's sole discretion, City may offer employment or engagement of services, in accordance with City hiring practices and policies, to any or all of such independent contractors (other than Shareholders).

(b) Donors, jointly and severally, shall be solely responsible, and City shall have no obligations whatsoever for, any compensation or other amounts payable to any current or former employee, officer, director, independent contractor or consultant of the Business, including, without limitation, hourly pay, commission, bonus, salary, accrued vacation, fringe, pension or profit sharing benefits or severance pay for any period relating to the service with Company at any time on or prior to the Closing Date and Donors shall pay all such amounts to all entitled persons on or prior to the Closing Date.

(c) Donors, jointly and severally, shall remain solely responsible for the satisfaction of all claims for workers' compensation, medical, dental, life insurance, health accident or disability benefits brought by or in respect of any current or former employees, officers, directors, independent contractors or consultants of the Business or the spouses, dependents or beneficiaries thereof, which claims relate to events occurring on or prior to the Closing Date. Donors shall pay, or cause to be paid, all such amounts to the appropriate persons as and when due.

Section 5.05 Assignment of Registered Marks and Copyrights. At City's expense, as of or as soon as practicable following the Closing, but no later than thirty (30) days thereafter, City or its counsel will prepare and cause to be filed with the United States Patent and Trademark Office and the United States Copyright Office assignments of all registered trademarks and copyrights which Donors transferred to City at Closing (the "**Registered IP Filings**"). Donors shall execute and deliver any and all documents, instruments, conveyances, and assurances and take such further actions as may be required to complete the Registered IP Filings and give effect to their assignment and transfer to the City with the appropriate government agencies.

Section 5.06 Transfer Taxes. All sales, use, registration, and other such Taxes and fees (including any penalties and interest) incurred in connection with this Agreement and the other Transaction Documents, if any, shall be borne and paid by Donors when due. Donors shall, at their own expense, timely file any Tax Return or other document with respect to such Taxes or fees (and City shall cooperate with respect thereto as reasonably necessary).

Section 5.07 Contingent Author Agreements; Post-Closing Termination of Certain Unassumed Agreements.

(a) Following the Closing, ACP shall remain responsible for the costs and receive the benefits of continued administration of and performance under Contingent Author Agreements until such time as a Contingent Author Agreement becomes an Accepted Author Agreement. Notwithstanding the foregoing, to the extent a book or other publication within the physical inventory

(i.e., "back-stock") transferred to City at Closing is sold following the Closing, after the author receives her or his royalty payment, ACP has been reimbursed for its related costs in accordance with Section 7.01, and other expenses of the sale have been deducted and paid, City shall receive the net proceeds of such sale, regardless of whether such book or publication is a Contingent Author Agreement or an Unassumed Agreement at the time of sale.

(b) All Contingent Author Agreements for which City has not obtained an Author Authorization Addendum within 24 months following the Closing (the "**Transition Period**") shall automatically and irrevocably become Unassumed Agreements upon expiration of the Transition Period.

(c) As soon as practicable following the expiration of the Transition Period, but no later than thirty (30) days thereafter, Donors shall designate all books published pursuant to Non-Gifted ACP Author Agreements and all former Contingent Author Agreements (which have now become Unassumed Agreements) as "out of print," terminate such Non-Gifted ACP Author Agreements and Unassumed Agreements, and revert all rights in all forms originally granted to Company to the respective authors. For the avoidance of doubt, Donors may designate books published pursuant to Non-Gifted ACP Author Agreements as "out of print" at any time in their sole discretion and are not required to keep them in force during the Transition Period. During the Transition Period, Donors are, however, required to use best efforts to keep Contingent Author Agreements in full force and effect until such time as they become Accepted Author Agreements or Unassumed Agreements.

Section 5.08 Further Assurances. Following the Closing, each of the parties hereto shall execute and deliver such additional documents, instruments, conveyances, and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement and the other Transaction Documents.

ARTICLE VI INDEMNIFICATION

Section 6.01 Survival. All representations, warranties, covenants, and agreements contained herein and all related rights to indemnification shall survive the Closing.

Section 6.02 Indemnification by Donors. Subject to the other terms and conditions of this ARTICLE VI, Donors shall indemnify and defend each of City and its respective Representatives (collectively, the "**City Indemnitees**") against, and shall hold each of them harmless from and against, any and all losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs, or expenses of whatever kind, including reasonable attorneys' fees (collectively, "**Losses**"), incurred or sustained by, or imposed upon, the City Indemnitees based upon, arising out of, or with respect to:

(a) any inaccuracy in or breach of any of the representations or warranties of Donors contained in this Agreement, any other Transaction

Document, or any schedule, certificate, or exhibit related thereto, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);

(b) any breach or non-fulfillment of any covenant, agreement, or obligation to be performed by Donors pursuant to this Agreement, any other Transaction Document, or any schedule, certificate, or exhibit related thereto;

(c) Excluded Assets;

(d) Excluded Liabilities; and

(e) any Third Party Claim based upon, resulting from, or arising out of the negligent operation of the Business on or prior to the Closing Date. For purposes of this Agreement, "Third Party Claim" means notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or a Representative of a party to this Agreement, and includes, for the avoidance of doubt, a claim by any current or former employee or independent contractor of Company other than Shareholders. Should any Third Party Claim be brought, Donors and City Indemnitees will consult to agree on the most appropriate and practicable indemnification procedures to follow in addressing such claim. Whenever any claim shall arise for indemnification hereunder, the party making a claim is referred to as the "Indemnified Party", and the party against whom such claims are asserted is referred to as the "Indemnifying Party". The Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party.

Section 6.03 Cumulative Remedies. The rights and remedies provided in this ARTICLE VI are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

ARTICLE VII MISCELLANEOUS

Section 7.01 Expenses; Reimbursements. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, except for the following costs and expenses of Donors (the "**Reimbursements**"), for which City, no earlier than thirty (30) Business Days following the Closing, reimbursed Donors, less any Offsets, within thirty (30) Business Days of receipt of satisfactory evidence from Donors that such expenses or costs qualify as Reimbursements hereunder, where a "**Business Day**" is any day that the City is open for business:

(a) costs and expenses for services related to books or Author Agreements set forth on Schedule 7.01(a) attached hereto;

(b) costs and expenses not to exceed \$225,000 which the Business incurred between April 30, 2023, and the day prior to the Closing in connection with Business transactions entered into for the continued viability of the Business

until the Closing Date, as further set forth on the City-approved Schedule 7.01(b) (“**Schedule 7.01(b)**”).

(i) No later than five (5) Business Days prior to Closing, Donors delivered a proposed Schedule 7.01(b) (the “**Proposed Schedule 7.01(b)**”) for City’s review.

(ii) Proposed Schedule 7.01(b) consisted of an itemized accounting made by Donors as of the Closing Date (with appropriate notes as to eligible costs and expenses projected to be incurred on the five (5) Business Days prior to Closing and the basis for such projections), together with supporting documentation satisfactory to City, of eligible Reimbursements incurred since April 30, 2023. City reserves all rights to request additional supporting documentation from Donors, which Donors shall promptly provide upon request.

(iii) The City shall review Proposed Schedule 7.01(b) and provide, on or prior to Closing, a confirmation that it has accepted such schedule as delivered by Donors or provide a revised version of it, and the City’s confirmed or revised version of the Proposed Schedule 7.01(b) shall become Schedule 7.01(b) and be final and binding on the parties with respect to the Reimbursements set forth thereon. City shall not unreasonably withhold acceptance of such schedule.

(c) *Offsets Statement.* If there are any Offsets against Reimbursements, City shall provide a statement and reasonable supporting documentation identifying the Offsets, their amounts and City’s reasons for applying them against Reimbursements. City’s reliance upon the Financial Statements shall constitute reasonable supporting documentation and identification of Offsets.

Section 7.02 Notices. All notices, claims, demands, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient, or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 7.02):

If to Donors: Paddy Calistro
2118 Wilshire Blvd. PMB 880
Santa Monica, CA 90403
Email: paddy@mccauleyland.com

with a copy to: Antonio R. Durando
6902 N. Table Mountain Rd.

Second Amended and Restated Angel City Press Gift Agreement
Contract No. C-145483

Tucson, AZ 85718
Email: tdurando@comcast.net

If to City: Los Angeles Public Library
Administrative Offices
Richard J. Riordan Central Library
630 West Fifth Street
Los Angeles, CA 90071
Email: jzabo@lapl.org
Attention: John F. Szabo, City Librarian

with a copy to: Los Angeles City Attorney
City Hall East, Suite 700
Los Angeles, CA 90012
Attention: Library General Counsel

and to: Raines Feldman Littrell LLP
1900 Avenue of the Stars, Suite 1900
Los Angeles, CA 90067
Facsimile: 310-691-1367
Email: dnewman@raineslaw.com
Attention: Dana Newman

Section 7.03 Closing Conditions. The parties to this Agreement understand and agree that the acceptance of the Donated Assets and the transfer of the Business and the closing of the transactions contemplated hereby are conditioned upon the City's obtaining all required Library Board and City Council approvals, receipt of all Donor deliverables set forth in Section 2.02(a), the accuracy as of the Closing Date of all of Donors' representations and warranties in Article III (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date), Donors' material performance and compliance with all agreements, covenants and conditions required by this Agreement and the Transaction Documents to be performed or complied with by them prior to or on the Closing Date, and the absence of any Actions against City or any Donor which would prevent the Closing (including any injunction or restraining order which would restrain or prohibit any transaction contemplated hereby), which conditions, to the extent waivable, may be waived by the City in its sole discretion.

Section 7.04 Interpretation; Headings. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 7.05 Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement.

Section 7.06 Entire Agreement. This Agreement and the other Transaction Documents constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the other Transaction Documents, the Exhibits, and the Schedules (other than an exception expressly set forth as such in the Schedules), the statements in the body of this Agreement will control.

Section 7.07 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. Any purported assignment in violation of this Section shall be null and void. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 7.08 Amendment and Modification; Waiver. This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No failure to exercise, or delay in exercising, any right or remedy arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right or remedy hereunder preclude any other or further exercise thereof or the exercise of any other right or remedy.

Section 7.09 Governing Law; Submission to Jurisdiction. All matters arising out of or relating to this Agreement shall be governed by and construed in accordance with the internal laws of the State of California without giving effect to any choice or conflict of law provision or rule (whether of the State of California or any other jurisdiction). Any legal suit, action, proceeding, or dispute arising out of or related to this Agreement, the other Transaction Documents, or the transactions contemplated hereby or thereby shall be instituted in the courts of the State of California in each case located in the city of Los Angeles and county of Los Angeles, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, proceeding, or dispute.

Section 7.10 Attorneys' Fees. In the event that any suit in law or equity, arbitration or other formal proceeding is instituted by any party to enforce or interpret any part of this Agreement, or to recover damages for breach thereof, the prevailing party shall be entitled to recover costs of suit incurred therein, and to also recover as an element of such costs (but not as damages) reasonable attorneys' fees incurred by such prevailing party.

Section 7.11 Advice of Counsel. EACH OF THE PARTIES HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF AND/OR HAS RECEIVED THE ADVICE OF COUNSEL OF SUCH PARTY'S OWN CHOOSING IN REGARDS TO THIS AGREEMENT AND THE OTHER AGREEMENTS EXECUTED IN CONNECTION WITH THIS AGREEMENT.

Section 7.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile,

Second Amended and Restated Angel City Press Gift Agreement
Contract No. C-145483

email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

(SIGNATURE PAGE TO FOLLOW)

IN WITNESS THEREOF, the Parties hereto have caused this Second Amended and Restated Gift Agreement to be executed as by their respective officers thereunto duly authorized.

THE CITY OF LOS ANGELES,
a Municipal Corporation

DONORS
Angel City Press,
a California Corporation

By signing below, the signatory attests that they have no personal, financial, beneficial, or familial interest in this amendment.

By _____
MAYRA VALADEZ
President
Board of Library Commissioners

By _____
PATRICIA CALISTRO MCAULEY
President and Publisher
Angel City Press

Date _____

Date _____

By _____
PATRICIA CALISTRO MCAULEY
As a Shareholder only,
Not as an individual

Date _____

By _____
SCOTT MCAULEY
As a Shareholder only,
Not as an individual

Date _____

APPROVED AS TO FORM:

ATTEST:

HYDEE FELDSTEIN SOTO, City Attorney

By _____
JOSHUA M. TEMPLET
Deputy City Attorney

By _____
RAQUEL BORDEN
Secretary to the Board

Date _____

Date _____

ATTEST:

By _____
PETTY F. SANTOS
Interim City Clerk

Date _____

SCHEDULES

to the

GIFT AGREEMENT

by and among

CITY OF LOS ANGELES, by and through its **BOARD OF LIBRARY COMMISSIONERS**,

as **City**,

ANGEL CITY PRESS,

as **Company**,

and

PATRICIA CALISTRO MCAULEY

and

SCOTT MCAULEY,

as **Shareholders**.

Schedules

These schedules are made and given pursuant to the Gift Agreement (the "Agreement"), by and among Angel City Press, a California corporation ("Company"), its shareholders, Patricia Calistro McAuley and Scott McAuley (each a "Shareholder" and collectively the "Shareholders" and together with Company, the "Donors"), and the City of Los Angeles, a municipal corporation, by and through its Board of Library Commissioners ("City"). Capitalized terms used but not defined herein shall have the meanings assigned them in the Agreement. References to section numbers, unless otherwise noted, are to section numbers in the Agreement.

These schedules are arranged in schedules corresponding to the numbered and lettered sections and subsections of the Agreement.

Headings have been inserted in these schedules for convenience of reference only and shall to no extent affect the construction or interpretation of any of the provisions of the Agreement or the schedules. For the avoidance of doubt, disclosure with respect to one section of these schedules is deemed to be disclosure with respect to other sections thereof, to the extent that it is reasonably apparent from the type of the information so disclosed that it relates to and should be included in the other subsection of such schedule.

Schedule 1.01(b)

Assigned Contracts

Contingent Author Agreements

See attached list.

Vendor Agreements

[Warehouse Leases if any and the storage is needed post-donation]

[Domain Name Registration agreements]

[Specific list of social media account agreements, software licensing agreements, email and phone account agreements or any other vendor agreements City wishes to take over after the donation.]

Schedule 1.01(d)

IP Assets

Phone Numbers

310-395-9982 (phone)

310-395-3353 (fax)

Websites

www.angelcitypress.com

[OTHER DOMAINS AND WEB ADDRESSES SUCH AS ANGELCITYPRESS.ORG OR ACP.COM OR ACP.ORG, ETC.]

Email Addresses and Accounts

Email address and corresponding account for info@angelcitypress.com

[OTHER ACP EMAIL ADDRESSES SUCH AS SCOTT'S AND PADDY'S AND TERRI'S AND JIM'S]

Social Media Accounts

[Facebook Account – Insert name and details]

[X (formerly Twitter) Account – Insert name and details]

[YouTube Account– Insert name and details]

[Instagram Account?]

[OTHER SOCIAL MEDIA]

Trademarks

See attached list.

Copyrights

- Cowboy Love Poetry: Verse From the Heart of the West
- Hollywood Archive: The Hidden History of Hollywood in the Golden Age
- Lots of Luck: Legend & Lore of Good Fortune

Software Owned or Licensed

[PLEASE LIST]

Schedule 1.02

Excluded Assets

Non-Gifted ACP Author Agreements

See attached list.

Other Excluded Assets

Contingent Author Agreements for which City has not yet obtained an Author Addendum.

[OTHER]

Schedule 3.03

Financial Statements

See attached.

Schedule 3.11(a)

Material Suppliers

Theresa Accomazzo

Blackwood Books LLC

Friesens Corporation

Gibbs M. Smith Inc. and Company

[PHONE/INTERNET PROVIDER]

[POS/CREDIT CARD/SQUARE/PAYPAL PAYMENT SERVICE PROVIDER]

[PAYROLL COMPANY/BOOKKEEPER]

[FESTIVAL OF BOOKS AGREEMENTS]

Schedule 3.14

Taxes

None.

Schedule 3.15(a)

Employment and Labor

All figures below are for the period ending September 30, 2023.

EMPLOYEES

Name	Hire Date	Contracts/FICA Status (Exempt/Non-Exempt)	Salary	Bonus	Accrued PTO	Accrued PTO Hours
James Schneeweis	MM/DD/YYYY	Employee	\$____/HR	0	0	0

Note: Bonuses are entirely discretionary, including in amount and whether to award one at all.

CONTRACTORS

Name	Hire Date	Contracts/FICA Status (Exempt/Non-Exempt)	Salary	Bonus	Accrued PTO	Accrued PTO Hours
Theresa Accomazzo	MM/DD/YYYY	Independent Contractor	0	0	0	0

Schedule 3.16

Insurance

Type of Coverage	Carrier	Account or Policy Number	Coverage	Effective Dates
Commercial General Liability, Hired/Non-Owned Auto, Personal and Advertising Injury, Rented Premises	Hartford	57 SBA BM4441 SC	Auto: \$1,000,000 CSL GL: \$1,000,000 per OCC with a \$2,000,000 AGG	FROM: MM/DD/202_ THROUGH: MM/DD/202_
Publishers Media Perils	Chubb	8168-5008	Newsmedia and Multimedia Liability Coverage: \$1,000,000 with \$5,000 retention amount Internet Liability Coverage: \$1,000,000 with \$5,000 retention amount Not Covered: Producers Liability Coverage	FROM: MM/DD/202_ THROUGH: MM/DD/202_
Workers' Compensation and Employers Liability Policy	Travelers	UB-7R541224-21-42-G	1,000,000 for each claim	FROM: MM/DD/202_ THROUGH: MM/DD/202_

Schedule 7.01(a)

Reimbursements - Costs and Expenses for Services Related to Books or Author Agreements

See attached list for a total of \$75,979.

Schedule 7.01(b)

Reimbursements – “Schedule 7.01(b)”

The attached list sets forth costs and expenses not to exceed \$225,000 which the Business has incurred between April 30, 2023 and the day prior to the Closing in connection with Business transactions entered into for the continued viability of the Business until the Closing Date.