

SECURITY AGREEMENT

THIS AGREEMENT made as of this _____ day of _____, 2018, by and between **YORK PROFESSIONAL BASEBALL CLUB, LLC**, a Pennsylvania limited liability company, with offices at 5 Brooks Robinson Way, York, Pennsylvania 17401 (“Debtor”) and the **ESTATE OF LOUIS J. APPELL, JR.**, with a mailing address of c/o Ivins, Phillips & Barker, Attention: Kasey A. Place, 1700 Pennsylvania Avenue, N.W., Suite 600, Washington DC 20006 (“Secured Party”).

The parties hereto, intending to be legally bound hereby, agree as follows:

1. **Recitals.** Debtor, concurrently with the execution and delivery of this Agreement, is becoming obligated to Secured Party pursuant to a Note, of even date herewith (the “Note”).

2. **Creation of Security Interest.** Debtor, in order to secure the payment of the obligations evidenced by the Note, hereby grants to the Secured Party a security interest in the property described in Schedule A hereof (“Collateral”). Debtor hereby authorizes Secured Party to file such financing statements (including, without limitation, UCC-1 financing statements, UCC-3 continuation statements, and UCC-3 amendment statements) as Secured Party deems necessary to perfect, or maintain the perfection of, Secured Party’s security interest in the Collateral. Debtor shall, at its cost and expense, execute and deliver (or cause to be executed and delivered) to Secured Party, concurrently with the execution of this Agreement, and at any time or times hereafter at the request of Secured Party, all assignments, certificates of title, conveyances, assignment statements, financing statements, renewal financing statements, continuation statements, security agreements, affidavits, notices and all other agreements, instruments and documents that Secured Party may reasonably request, in form and substance reasonably satisfactory to Secured Party, and shall take any and all other steps reasonably requested by Secured Party, in order to perfect and maintain the security interests granted herein by Debtor to Secured Party.

UNTIL default hereunder, Debtor shall be entitled to possession of the Collateral and to use and enjoy the same.

3. **Subordination.** Secured Party’s security interest is and shall be for all purposes subordinate in lien, priority, payment and operation to primary institutional debt of Debtor as now in effect or as may hereafter be extended to Debtor by any such institutional creditor. Secured Party further agrees that (i) Debtor may file a UCC-3 Financing Statement Amendment and such other instruments as may be reasonably required consistent with this Agreement in order to give the foregoing subordination effect, and (ii) to execute, upon the reasonable request of Debtor, such further instruments and undertakings as may be reasonably required in order to carry out the intention of this Section 3.

4. **Obligations of Debtor.**

a. **Obligation to Pay.** Debtor shall pay the amounts now or hereafter owing to Secured Party in accordance with the Note.

b. **Protection of the Security Interest.**

i. The Debtor shall at all reasonable times, and from time to time, allow the Secured Party, by or through any of its officers, agents, attorneys or accountants, to examine, or arrange for the physical inspection of the Collateral, and shall do, make, execute and deliver all such additional and further acts, things, deeds, assurances and instruments as the Secured Party may reasonably require more completely to vest in and assure to the Secured Party its rights hereunder or in any Collateral.

ii. Debtor will:

(a) Defend the Collateral against the claims and demands of all persons.

(b) At all times keep the Collateral insured against loss, fire, theft and any other risks usually insured against in Debtor's business.

(c) Keep the Collateral in reasonably good operating condition and repair, reasonable wear and tear excepted.

(d) Keep and maintain in full force and effect at all times any license, permit or approval reasonably necessary to Debtor's business operations.

iii. Except for purchase money security interests as otherwise provided herein, Debtor will not permit any liens or security interests other than Secured Party's to attach to any of the Collateral and shall be superior to any other security interest therein; permit any of the Collateral to be levied upon under any legal process; except in the normal course of business, dispose of any of the Collateral without the prior written consent of Secured Party, which amount shall not be unreasonably withheld; permit anything to be done that may impair the value of any of the Collateral or the security intended to be afforded by this Agreement, or permit the Collateral to become an accession to other goods.

iv. Debtor shall execute alone or with Secured Party any financing, continuation or termination statements or documents necessary to protect the security interest hereunder against the rights or interests of third persons. If by reason of location of the Collateral or otherwise, the creation, validity or perfection of the security interests provided for herein are governed by the law of a jurisdiction other than the Commonwealth of Pennsylvania, Debtor shall execute and deliver such papers as Secured Party may from time to time reasonably request to comply with such law in order to maintain, perfect and continue its security position.

5. **Debtor's Representations and Warranties.** To induce the Secured Party to enter into this Agreement, the Debtor represents and warrants that the execution and delivery of this Agreement and the full performance thereof by the Debtor and the granting of security to the Secured Party as contemplated hereunder does not and will not violate any provisions of any indenture or other agreement to which Debtor is a party or is bound.

6. **Rights and Remedies of Secured Party.** Upon an Event of Default hereunder and after the expiration of any applicable grace or cure period, Secured Party shall have all the rights and remedies provided by the Uniform Commercial Code now in effect or hereafter enacted in the Commonwealth of Pennsylvania.

7. **Notices.** All notices required to be given by Debtor or Secured Party hereunder shall be sufficient only if in writing and mailed by certified mail, return receipt requested, to the addresses set forth herein or at such new address as either party may advise by written notice pursuant hereto.

8. **Miscellaneous.**

- a. All the rights and remedies hereby given to Secured Party and all the rights and remedies arising by operation of law shall be cumulative and concurrent. Secured Party may waive any default without waiving any other prior or subsequent defaults. The exercise by Secured Party of any of the remedies to which it is entitled shall not constitute a waiver of any other remedy to which Secured Party may be entitled under this Agreement or by operation of law.
- b. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and the successors of Debtor, and the successors and assigns of Secured Party.
- c. This Agreement contains the entire agreement between the parties on the subject matter hereof, and shall not be modified except by written agreement signed by both parties hereto.
- d. This Agreement shall be governed by the law of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written.

Witness/Attest:

YORK PROFESSIONAL BASEBALL
CLUB, LLC

By: _____

ESTATE OF LOUIS J. APPELL, JR.

By: _____

Schedule A

All assets of Debtor except that the Secured Party is taking no secured interest in the FCC licenses of WOYK(AM), York, PA (the "Station") and, notwithstanding any provision herein to the contrary, Secured Party may not, in the event of a default or otherwise, exercise any control over the operation of the Station or take possession of or exercise any rights with respect to the Station's FCC licenses or other authorizations without first obtaining the prior written consent of the FCC as required by Section 310 of the Communications Act and the rules and regulations of the FCC.